



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

APPELLANT: Steven & Julie Puntney  
DOCKET NO.: 09-01873.001-R-1  
PARCEL NO.: 04-04-01-424-076

The parties of record before the Property Tax Appeal Board are Steven and Julie Puntney, the appellants, and the Carroll County Board of Review by attorney Christopher E. Sherer of Giffin, Winning, Cohen & Bodewes, P.C., Springfield.

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 Carroll County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND: \$141,539**  
**IMPR: \$165,005**  
**TOTAL: \$306,544**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 2.079 acre site improved with a 1½-story single family dwelling of frame construction with approximately 2,711 square feet of living area. The dwelling was constructed in 2008. Features of the home include a full basement that is finished, central air conditioning and a three-car attached garage. Other amenities include a deck, a gazebo and a lakeside patio. The property is located on a lakefront lot at Lake Carroll, Lanark, Freedom Township, Carroll County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted an appraisal of the subject property prepared by D. Joe Clarkson, a state certified appraiser. The purpose of the appraisal was to estimate the market value of the subject property, as improved, in an unencumbered fee simple title of ownership. The appraiser indicated the appraisal report was a summary appraisal. Clarkson also certified that he performed a complete visual inspection of the interior and exterior of the subject property. The appraiser utilized both the cost approach to value and the sales comparison

approach to value to arrive at an estimate of value for the subject property of \$838,000 as of January 1, 2009.<sup>1</sup>

Using the cost approach to value the appraiser first estimated the subject property had a land value of \$375,000. The report indicated the subject site was purchased in 2006 for a price of \$425,000. The appraiser asserted that this was the peak of the market but in today's market the site was estimated to have a value of \$375,000. Clarkson used the Marshall and Swift Valuation Service and local contractor estimates to estimate the subject improvement had a replacement cost new of \$451,880. The appraiser estimated physical depreciation to be 3.33% of replacement cost new or \$15,048 using the age-life method. He determined the subject dwelling suffered from no functional or external obsolescence. Deducting depreciation resulted in a depreciated cost of the improvements of \$436,832. To this the appraiser added \$50,000 for the site improvements and the site value to arrive at an estimated value under the cost approach of \$861,832.

Clarkson identified seven comparables sales in developing the sales comparison approach to value. The comparables were located from .23 to 1.62 miles from the subject property. These properties were described as three ranch style dwellings, a one-story with loft single family dwelling, two 1½-story dwellings and a two-story dwelling that ranged in size from 1,827 to 3,223 square feet of living area. The dwellings ranged in age from 5 to 18 years old. Each home had a full basement that was partially or fully finished. Each property also had central air conditioning, one to four fireplaces and a two-car, a three-car, two two-car or three three-car garages. The comparables had sites ranging in size from 1.32 to 2.45 acres. The sales occurred from October 2006 to November 2008 for prices ranging from \$675,000 to \$1,200,000 or from \$238.63 to \$421.84 per square foot of living area, including land. The appraiser made adjustments to the comparables for differences from the subject for such items as view, age, size, number of garages and number of fireplaces. Clarkson estimated the comparables had adjusted prices ranging from \$763,800 to \$1,000,000. Based on these sales the appraiser estimated the subject had a market value under the sales comparison approach of \$838,000.

In reconciling the two approaches to value the appellants' appraiser stated the sales comparison approach was given most weight as it is generally the most reliable indicator of value. He further stated the cost approach was used as guide but is generally less reliable due to the difficulty in determining accrued depreciation. In conclusion the appraiser estimated the subject property had a market value of \$838,000 as of January 1, 2009.

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<sup>1</sup> The summary of salient features section of the appellants' appraisal incorrectly states the final value estimate was \$829,000.

Based on this submission the appellants requested the subject's assessment be reduced to \$276,333.

The board of review (BOR) submitted its "Board of Review Notes on Appeal" disclosing the total assessment of the subject property of \$334,073. The subject's total assessment reflects a market value of \$1,002,620 or \$369.83 per square foot of living area, including land, when applying the 2009 three year average median level of assessments for Carroll County of 33.32%.

In support of the assessment the board of review, through its counsel, submitted a brief, a copy of the subject's property record card, a notice of final decision, an appraisal of the subject property and the Illinois Real Estate Transfer Declaration forms (PTAX-203) for two lots (24-78 Saddlewood and 2362 Broadview).

Counsel for the BOR noted the appellants' appraiser stated the subject property had an estimated value of \$829,000 on page 4 (Summary of Salient Features) and \$838,000 on page 2 of 6 of the report. Counsel also noted the discrepancy in the subject's description on page 1 of 6 of the appellants' appraisal and on page 2 of 6 of the appraisal. Counsel also contends that Clarkson's assertion that lot values were declining was incorrect and presented two land sales disclosing that lot 24-78 sold on October 14, 2005 for a price of \$356,250 and sold again in July 2007 for a price of \$375,000. The evidence further indicated the lot at 2362 Broadview Drive sold in October 2005 for a price of \$325,000 and sold again in October 2008 for a price of \$395,000. Counsel contends that the appellants' appraiser noted the subject site is one of the prime waterfront lots and sold in 2006, at the peak of the market, for a price of \$425,000. Counsel contends the subject's land assessment reflects a market value of \$424,787, which is supported.

In support of the assessment, the BOR submitted an appraisal of the subject property prepared by Patrick C. Wendt, a state certified appraiser. Wendt described the appraisal as a restricted use report. The BOR appraiser appears to identify the client as the Carroll County Chief Assessment Officer. The BOR appraiser further indicated he made an exterior inspection of the subject property and explained that the sketch of the home is an approximate drawing of the subject property supplied by the assessor and is not guaranteed to represent the actual square footage of the subject property and is only meant to approximate the subject for the use of comparison in the report. The appraiser utilized both the cost approach to value and the sales comparison approach to value to arrive at an estimate of value for the subject property of \$1,000,000 as of January 1, 2009.

The BOR appraiser described the subject dwelling as a 1½ story dwelling with 2,774 square feet of living area, a full finished basement, central air conditioning, three fireplaces.

Using the cost approach to value the BOR appraiser first estimated the subject property had a land value of \$425,000. Wendt used the Marshall and Swift Valuation Services and local builder estimates to estimate the subject improvement had a replacement cost new of \$575,771. The appraiser estimated physical depreciation to be 1.43% of replacement cost new or \$8,234 using the age-live method with the subject having an effective age of 1 year and a total life of 70 years. He determined the subject dwelling suffered from no functional or external obsolescence. Deducting depreciation resulted in a depreciated cost of the improvements of \$567,537. To this the appraiser added \$40,000 for the site improvements and the site value to arrive at an estimated value under the cost approach of \$1,032,527.

Wendt identified six comparables sales in developing the sales comparison approach to value. Wendt sales #1, #2 and #3 were the same properties as Clarkson's sales #1, #5 and #3. The comparables were located from .80 to 1.68 miles from the subject property. These properties were described as three ranch style dwellings and three 1½-story dwellings that ranged in size from 1,917 to 3,660 square feet of living area. The dwellings ranged in age from 6 to 20 years old. Each home had a basement that was partially finished. Each property also had central air conditioning, one to three fireplaces and a two-car, three-car, four-car, or a six-car garage. The comparables had sites ranging in size from 1.4 to 1.97 acres. The sales occurred from May 2008 to November 2008 for prices ranging from \$639,000 to \$1,200,000 or from \$305.73 to \$425.21 per square foot of living area, including land. The appraiser made adjustments to the comparables for differences from the subject for such items as site size, age, room count, gross living area, basement finish, number of garages and number of fireplaces. Wendt estimated the comparables had adjusted prices ranging from \$900,242 to \$1,331,440. Based on these sales the appraiser estimated the subject had a market value under the sales comparison approach of \$1,000,000.

In reconciling the two approaches to value Wendt gave the cost approach secondary consideration and greatest weight to the sales comparison approach. The appraiser estimated the subject property had a market value of \$1,000,000 as of January 1, 2009.

In rebuttal the appellants asserted the subject property has no fireplace and not three as described by the BOR appraiser.

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 the appeal. The Board further finds the evidence in the record supports a reduction in the subject's assessment.

The appellants contend overvaluation as the basis of the appeal. 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 (3<sup>rd</sup> Dist. 2002). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the sales in the record support a reduction in the subject's assessment.

The appellants submitted an appraisal estimating the subject property had a market value of \$838,000 as of January 1, 2009. The BOR submitted an appraisal estimating the subject property had a market value of \$1,000,000 as of January 1, 2009. The subject's assessment of \$334,073 reflects a market value \$1,002,620 or \$369.83 per square foot of living area, including land, when applying the 2009 three year average median level of assessments for Carroll County of 33.32%.

Both appraisers developed the cost approach and the sales comparison approach to value in arriving at their respective estimates of value. Both appraisers gave primary consideration to the sales comparison approach to value. Due to the fact that both appraisers relied upon the sales comparison approach the Property Tax Appeal Board will rely on the sales in this record in determining the correct assessment of the subject property and will give little weight to the cost approach developed by each appraiser.

In reviewing the two appraisals, the Board finds Clarkson's estimate of size of the subject dwelling of 2,711 square feet of living area is more credible given that he certified within the report that he performed a complete visual inspection of the interior and exterior of the subject property. Conversely, Wendt stated within his appraisal he made an exterior inspection of the subject property and explained that the sketch of the home is an approximate drawing of the subject property supplied by the assessor and is not guaranteed to represent the actual square footage of the subject property. The Board also finds that Wendt appraised the subject property as having three fireplaces when it actually had no fireplaces. This descriptive error also undermines the conclusion of value developed by Wendt.

The Board also gives less weight to the conclusion of value contained in the appraisal submitted by the BOR. Wendt indicated on page 15 of the appraisal that the appraisal is a restricted use report. Standard Rule 2-2(c)(i) of the *Uniform Standards of Professional Appraisal Practice, 2008-2009 Edition*, Appraisal Standards Board, The Appraisal Foundation, U-26, states:

The content of a Restricted Use Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

- (i) state the identity of the client, by name or type; and state a prominent use restriction that limits use of the report to the client and warns that the appraiser's opinions and

conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile.

The comment to Standard 2-2(c)(i) provides in part that, "The Restricted Use Appraisal Report is for client use only. . . ." Id.<sup>2</sup> Wendt's appraisal appears to identify the client as the Carroll County Chief Assessment Officer and does not identify any other intended users by name or type. Due to the fact the BOR's appraisal is a restricted use report less weight is given the conclusion of value. Despite the fact the BOR appraisal is a restricted use report, the Property Tax Appeal Board will review the relevant sales data in the report in determining the correct assessment of the subject property.

The appraisal submitted by Clarkson had seven sales and the appraisal prepared by Wendt had six sales. In reviewing the sales in this record the Board gives most weight to those sales that occurred during 2008 which include Clarkson's sales #1, #3 and #5 and the 6 sales included in the Wendt appraisal. Of these 9 sales, three were common to both appraisals resulting in six different comparable sales. These six comparables included three one-story (ranch) style homes, two 1½-story dwellings and a two-story home that ranged in size from 1,999 to 3,660 square feet of living area. The comparables ranged in age from 5 to 20 years old. The sales occurred from May 2008 to November 2008 for prices ranging from \$639,000 to \$1,200,000 or from \$245.11 to \$425.21 per square foot of living area, including land. The Board finds Clarkson sale #3 and Wendt sales #3, #4 and #5 are one-story dwellings significantly smaller than the subject property. These sales are given less weight due to style and size. Clarkson sales #1 and #5, which are the same properties as Wendt's sales #1 and #2, as well as Wendt's sale #6 are 1½-story or 2-story dwellings. These properties sold for prices ranging from \$716,500 to \$1,200,000 or from \$245.11 to \$342.66 per square foot of living area, including land.<sup>3</sup> These dwellings were inferior to the subject in age ranging from 10 to 19 years old. The subject's assessment of \$334,073 reflects a market value \$1,002,620 or \$369.83 per square foot of living area, including land, which is above the range of the most similar styled dwellings on a square foot basis.

Based on this record and considering the evidence submitted by the parties, and giving most weight to those sales most similar to the subject in style, the Board finds a reduction in the subject's assessment is justified.

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<sup>2</sup> Advisory Opinion 11 (AO-11), *Uniform Standards of Professional Appraisal Practice, 2008-2009 Edition*, Appraisal Standards Board, The Appraisal Foundation, A-23, explains that a Restricted Use Appraisal is for client use only.

<sup>3</sup> Although Clarkson's sale #1 and Wendt's sale #1 are the same property the reported size of the home between the two appraisers differs by 639 square feet. The appraisers agreed on the total reported sales price of \$790,000.

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

*[Signature]*

Member

*[Signature]*

Member

*[Signature]*

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: March 22, 2013

*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.