



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

APPELLANT: Adam Ludwig
DOCKET NO.: 09-03872.001-R-1
PARCEL NO.: 04-16-377-005

The parties of record before the Property Tax Appeal Board are Adam Ludwig, the appellant, and the Kendall County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Kendall County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$30,193
IMPR.: \$115,178
TOTAL: \$145,371

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel is improved with a 3-year-old, two-story style brick and frame dwelling that contains 3,572 square feet of living area. Features of the home include a full unfinished basement, central air-conditioning, a fireplace and an attached two-car garage of 612 square feet of building area. The property is located in Nework, Fox Township, Kendall County.

The appellant submitted evidence to the Property Tax Appeal Board claiming both unequal treatment in the assessment process and overvaluation as the bases of the appeal.

In support of these contentions disputing both the land and improvement assessments of the subject property, the appellant presented a grid analysis of three comparable properties said to be located 6-miles from the subject. The comparable parcels are each "1/4-acre" whereas the subject is "1-acre" according to the appellant. These comparables have land assessments of \$14,000 whereas the subject has a land assessment of \$30,193. Based on this evidence, the appellant requested a reduction in the subject's land assessment to \$21,325.

Each of the comparable parcels is improved with a two-story brick and frame dwelling that is 5 years old. The homes range in size from 3,330 to 3,997 square feet of living area. Features of the comparables include central air-conditioning, two fireplaces and a 630 square foot garage. The appellant did not report whether the comparables have basements, but did indicate that each comparable has "2nd floor kitchen" and that the properties enjoy sidewalks, a clubhouse with pool, fire department in the subdivision, city water and sewer, curbs, and a playground in the subdivision. In contrast, the subject only has a "walking path around subdivision." These comparables have improvement assessments ranging from \$70,500 to \$77,000 or from \$19.26 to \$21.17 per square foot of living area. The subject has an improvement assessment of \$115,178 or \$32.24 per square foot of living area. Based on this evidence, the appellant requested a reduction in the subject's improvement assessment to \$84,500 or \$23.66 per square foot of living area.

The appellant also reported that each of these properties sold between September 2008 and March 2009 for prices ranging from \$279,990 to \$300,000 or from \$79.05 to \$90.09 per square foot of living area including land. Based on the foregoing, the appellant requested a total assessment reduction that reflects a market value of approximately \$317,475 or \$88.88 per square foot of living area including land.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$145,371 was disclosed. The subject has an estimated market value of \$435,112 or \$121.81 per square foot of living area including land, as reflected by its assessment and Kendall County's 2009 three-year median level of assessments of 33.41%. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review submitted a letter along with a grid analysis of three suggested comparables with assessment and sales data. In the letter, the board of review asserted that each of the appellant's comparables were located "in a subdivision that has a Special Services Area (SSA)."¹ The board of review further stated:

This SSA allows the builder to sell the homes at a lower price because they pass the cost of the infrastructure on to the buyer via the SSA tax.

As each of the appellant's comparables were sold from the builder and the subject does not have an SSA, the board of review argues that the appellant's suggested sales are not comparable to the subject. No further data on the SSA, re-sales of properties in the SSA or any further evidence related to the estimated market values of the appellant's comparables was presented by the board of review.

¹ 35 ILCS 200/27-5, et al.

To support the subject's assessment, the board of review presented three comparables which are each located approximately 9 miles from the subject property in Yorkville. The comparable parcels range in size from 31,562 to 50,812 square feet of land area with land assessments of either \$34,049 or \$38,393 or from \$0.67 to \$1.22 per square foot of land area whereas the subject parcel of 54,756 square feet² has a land assessment of \$30,193 or \$0.55 per square foot of land area.

Each of these parcels is improved with a two-story dwelling of frame and masonry exterior construction. The homes are either 3 or 6 years old and range in size from 3,488 to 3,551 square feet of living area. Each has an unfinished basement, one of which is a lookout style, central air conditioning, a fireplace and a garage ranging in size from 713 to 1,064 square feet of building area. The properties have improvement assessments ranging from \$104,149 to \$147,680 or from \$29.65 to \$41.59 per square foot of living area. In addition, these three properties sold from August 2008 to June 2009 for prices ranging from \$394,900 to \$495,000 or from \$111.21 to \$141.92 per square foot of living area including land.

The board of review also noted the subject parcel was purchased in April 2006 for a price of \$93,500.

Based on this evidence the board of review requested the subject's assessment be confirmed.

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 that a reduction in the subject's assessment is not warranted.

As an initial matter, the board of review has asserted that each of the appellant's comparables is located within a Special Service Area and therefore, the comparables are dissimilar properties to the subject in location. The Property Tax Appeal Board finds that the terms of the Special Service Area law (35 ILCS 200-27-5, et al.) authorizes imposition of taxes within the area "at a rate or amount of tax sufficient to produce revenues required to provide the special services" (35 ILCS 200/27-25). Furthermore, the law sets forth the manner in which the levy is to be extended:

Extension of tax levy. If a property tax is levied, the tax shall be extended by the county clerk in the special service area in the manner provided by Articles 1 through 26 of this Code **based on equalized assessed values as established under Articles 1 through 26.** . . .
. The corporate authorities of the municipality or county may levy taxes in the special service area prior

² As reported by the board of review, the subject parcel contains approximately 1.26-acres of land area.

to the date the levy must be filed with the county clerk, for the same year in which the ordinance and map are filed with the county clerk. . . .

In lieu of or in addition to an ad valorem property tax, a special tax may be levied and extended within the special service area on **any other basis that provides a rational relationship** between the amount of the tax levied against each lot, block, tract and parcel of land in the special service area and the special service benefit rendered. . . .

As an alternative to an ad valorem tax based on the whole equalized assessed value of the property, the corporate authorities **may provide for the ad valorem tax to be extended solely upon the equalized assessed value of the land in a special service area**, without regard to improvements, if the equalized assessed value of the land in the special service area is at least 75% of the total of the whole equalized assessed value of property within the special service area at the time that it was established. . . .

[Emphasis added.] (35 ILCS 200/27-75). In this regard, the appellant's comparables are arguably dissimilar from the subject according to the board of review since those comparables are subjected to this additional tax burden which is not imposed upon the subject property.

For this assessment appeal, the appellant's initial argument was unequal treatment in the assessment process. The Illinois Supreme Court has held that taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data the Board finds a reduction is not warranted.

The Board finds both parties submitted descriptions and both assessment and sales information on six comparables that were similar to the subject in style, age, design, exterior construction and features, but not in location. The Property Tax Appeal Board has given less weight to each of the appellant's suggested comparables due to their location within an SSA and thus their arguably different market than the subject property which does not have this additional tax burden. The Board has also given less weight to the board of review's comparable #1 due to differences in age, garage size and that its assessment appears to be disproportionate to its recent purchase price. Upon analyzing the data, the Property Tax Appeal Board finds that the assessment of board of review comparable #1 does not appear to be reflective of its market value.

The Board finds board of review comparables #2 and #3 are the most similar comparables to the subject property in exterior construction, age, size and features. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These two comparables had total assessments of \$142,542 and \$155,265 whereas the subject has a total assessment of \$145,371. These comparables had improvement assessments of \$104,149 and \$121,216 or \$29.65 and \$34.75 per square foot of living area. The subject's improvement assessment of \$115,178 or \$32.24 per square foot of living area falls between these two most similar comparables both for total improvement assessment and on a per-square-foot basis. After considering adjustments and the differences in both parties' comparables when compared to the subject, the Board finds the subject's improvement assessment is equitable and a reduction in the subject's assessment is not warranted.

Regarding the land inequity contention, there is no agreement between the parties as to the land size of the subject parcel. However, neither party presented any documentary evidence of their respective land size determinations for the subject parcel. Even with this size dispute as to the subject parcel, the Property Tax Appeal Board finds based on either purported land size of the subject property there is no evidence of a lack of assessment uniformity presented by either the appellant or the board of review.

Under the appellant's analysis, the subject "1-acre" parcel is assessed at approximately \$7,548 per $\frac{1}{4}$ -acre of land area whereas his suggested comparables of $\frac{1}{4}$ -acre each have land assessments of \$14,000. Based on this evidence, there is no evidence that a reduction in the subject's land assessment is warranted.

Similarly, the board of review reported the subject parcel of 54,756 square feet has a land assessment of \$30,193 or \$0.55 per square foot of land area as compared to three comparables that range in size from 31,562 to 50,812 square feet of land area with land assessments of either \$34,049 or \$38,393 or from \$0.67 to \$1.22 per square foot of land area. Again, the Board finds based on this evidence that no reduction in the subject's land assessment is warranted on grounds of lack of uniformity where the subject has the lowest per-square-foot land assessment as compared to the comparables.

Finally of significance is that the subject parcel was reportedly purchased in April 2006 for \$93,500 whereas its 2009 assessment reflects an estimated market value of approximately \$90,370, or less than its recent purchase price.

Based on this record, no reduction in the subject's land assessment is warranted.

The appellant also argued overvaluation as a 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). The Board finds the evidence in the record does not support a reduction in the subject's assessment.

As noted above, the Board has given less weight to the appellant's comparables due to their location in an SSA area whereas the subject does not have the same marketing area. The Board finds comparables #2 and #3 submitted by the board of review were most similar to the subject. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold August 2008 and June 2009 for prices of \$495,000 and \$425,000 or for \$141.92 and \$120.98 per square foot of living area, including land, respectively. The subject's assessment reflects a market value of approximately \$435,112 or \$121.81 per square foot of living area, including land, which is within the range established by the most similar comparables on both an overall value and on a per-square-foot basis. After considering the most comparable sales on this record, the Board finds the appellant did not demonstrate the subject property's assessment to be excessive in relation to its market value and a reduction in the subject's assessment is not warranted on this record.

In conclusion, the Board finds that the appellant failed to establish either assessment inequity or overvaluation. Based on this record, no change in the subject's assessment is warranted.

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: February 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.