



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

APPELLANT: Wilhelm & Nicole Kreuzer
DOCKET NO.: 09-04530.001-R-1
PARCEL NO.: 07-13-205-012

The parties of record before the Property Tax Appeal Board are Wilhelm and Nicole Kreuzer, the appellants, 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: \$107,180
IMPR.: \$208,790
TOTAL: \$315,970

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a 2½-story single family dwelling of frame and brick construction that contains 4,360 square feet of living area. The dwelling was constructed in 2007 and is approximately 2 years old. Features of the home include a full unfinished basement, central air conditioning, two fireplaces and a two-car attached garage. The subject dwelling also has a finished third floor with a recreation room. The subject property has an 8,325 square foot site and is located in Naperville, Naperville Township, DuPage County.

The appellants contend assessment inequity and overvaluation as the bases of their appeal. In support of the assessment inequity argument the appellants submitted information on three comparables improved with two-story dwellings that ranged in size from 3,715 to 4,350 square feet of living area. The dwellings were constructed from 2004 to 2007 and were described as being located less than one block from the subject. Each comparable had a basement with one being finished. The appellants also described each home as having central air conditioning, two fireplaces and a 2 or 2½-car garage. These comparables had improvement assessments ranging from \$168,680 to \$209,610 or from

\$39.18 to \$52.44 per square foot of living area.¹ The subject property has an improvement assessment of \$224,410 or \$51.47 per square foot of living area. The appellants also indicated their comparables #1 and #3 sold in July 2009 and September 2009 for prices of \$755,000 and \$800,000 or \$175.38 and \$200.15 per square foot of living area, including land, respectively.

In further support of the overvaluation arguments the appellants also submitted an appraisal estimating the subject property had a market value of \$880,000 as of January 1, 2009. The appraisal was prepared by Mark Bittner, an Illinois certified real estate appraiser. The purpose of the appraisal was to estimate the market value of the subject property. The property rights appraised were the fee simple interest and the intended use of the report was for tax appeal purposes. In estimating the market value of the subject property the appraiser developed the cost approach to value and the sales comparison approach to value.

In describing the subject property the appraiser noted the dwelling was built over a spring and has four sump pumps to prevent water back-up into the basement.² Due to this condition the appraiser stated the subject was penalized functionally at an estimate of 5%.

Under the cost approach the appraiser estimated the land value to be \$275,000. The replacement cost new of the building improvements was estimated using local builders' cost estimates. The estimated cost new was estimated to be \$739,510. The appraiser estimated the subject suffered from \$44,371 in physical depreciation and functional obsolescence. Deducting depreciation resulted in a depreciated cost of the improvements of \$695,139. Adding the value of the site improvements of \$10,000 and the site value resulted in an estimated value under the cost approach of \$980,100.

The appraiser developed the sales comparison approach using three comparable sales improved with one 2-story and two 2+/-story single family dwellings of brick and cedar or brick/stone and frame construction that ranged in size from 4,441 to 4,790 square feet of living area. The comparables were constructed from 2004 to 2006. The comparables were located in Naperville from .57 to 2.19 miles from the subject property. Each comparable had a full basement with one being finished, central air conditioning, one or three fireplaces and a two or three-car attached garage. The comparables sold from October 2008 to December 2008 for prices ranging from \$900,000 to \$1,000,000 or from \$202.66 to \$216.22

¹ The assessment information on appellants' comparable #1 indicated this property had 4,305 square feet of living area and not 4,350 square feet of living area as indicated on the grid analysis. Additionally, appellants' comparable #3 was reported by the assessor to have had a model home assessment with an improvement assessment actually of \$209,610.

² The appellants also stated in their narrative summary of the appeal that the subject dwelling was constructed on a natural spring and drain tiles were installed around the perimeter of the house and sump pumps installed to prevent pressure building up.

per square foot of living area, including land. After making adjustments to the comparables for differences from the subject the appraiser determined these properties had adjusted prices ranging from \$860,000 to \$921,100. Based on this analysis the appraiser estimated the subject had an indicated market value under the sales comparison approach of \$880,000.

In reconciling the two approaches to value the appraiser gave most emphasis to the sales comparison approach and estimated the subject property had a market value of \$880,000 as of January 1, 2009.

Based on this evidence the appellants requested the subject's assessment be reduced to \$293,333 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessment of the subject totaling \$331,590 was disclosed. The subject's assessment reflects a market value of \$996,963 or \$228.66 per square foot of living area, including land, when applying the 2009 three year average median level of assessments for DuPage County of 33.26%.

In support of the assessment the board of review submitted an Addendum to Board of Review Notes on Appeal and assessment data sheets which listed the appellants' comparables and comparables identified by the township assessor, which was marked as Exhibit #1.

To demonstrate the subject was equitably assessed the township assessor identified three comparables improved with two 2-story dwellings and one 2.5-story dwelling that ranged in size from 4,312 to 5,132 square feet of living area. The dwellings were constructed in 2006. Each comparable is described as having a basement, central air conditioning, two fireplaces and a two-car garage. These properties have improvement assessments ranging from \$238,880 to \$279,370 or from \$54.43 to \$56.22 per square foot of living area.

The assessor also identified five comparable sales improved with four 2-story dwellings and one 2.5-story dwelling that ranged in size from 3,631 to 4,312 square feet of living area. Assessor's comparable sale #1 was the same property as assessor's equity comparable #1. The comparables were of frame and brick construction that were built from 2005 to 2008. Each comparable has a basement with one being finished. The assessor also described each comparable as having central air conditioning, one or two fireplaces and a two or three-car garage. The sales occurred from September 2006 to August 2008 for prices ranging from \$1,009,327 to \$1,300,000 or from \$271.80 to \$327.17 per square foot of living area, including land. These same comparables had improvement assessments ranging from \$197,700 to \$239,110 or from \$51.17 to \$57.63 per square foot of living area. The assessor asserted in the written narrative that sales #1 and #2 occurred in 2008 and are located in the immediate area of the subject property.

In rebuttal the assessor argued that two of sales on the appellants' grid occurred in 2009, beyond the January 1 assessment date. The assessor further asserted that sale #1 on the grid was a short sale and sale #3 on the grid was sold by the builder after being on the market for 944 days. The assessor also stated that the sales in the appellants' appraisal were outside the subject's neighborhood and appraisal sale #3 was a relocation sale.

Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellants asserted that each of the equity comparables had larger lots than the subject property. With respect to the comparable sales identified by the assessor the appellants argued the following: sale #1 had a larger lot, a three-car garage and a finished basement; sale #2 has a large back deck and a finished basement; sale #3 has a finished basement; sale #4 has a three-car garage; and sale #5 has a partially finished basement and a deck. The appellants contend the properties used by the board of review have premium amenities and need to be discounted to determine the market value for the subject property. In rebuttal the appellants also addressed the comments made by the assessor regarding their evidence.

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 the market value of the subject property is not accurately reflected in its assessed valuation. 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). 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 appellants met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the subject's assessment totaling \$331,590 reflects a market value of \$996,963 or \$228.66 per square foot of living area, including land, when applying the 2009 three year average median level of assessments for DuPage County of 33.26%. The appellants submitted an appraisal estimating the subject had a market value of \$880,000 as of January 1, 2009, relying primarily on three comparable sales with that were relatively similar to the subject in size and features. These properties sold most proximate in time to the assessment date at issue from October 2008 to December 2008 for prices ranging from \$900,000 to \$1,000,000 or from \$202.66 to \$216.22 per square foot of living area, including land. In considering these sales the appraiser

made adjustments to the comparables for differences from the subject property. The board of review, through the assessor, identified three sales that occurred from February to August 2008 for prices ranging from \$1,220,000 to \$1,300,000 or from \$284.24 to \$327.17 per square foot of living area, including land. These sales were unadjusted and did not occur as proximate in time to the assessment date at issued as the appraiser's comparables. The appellants also identified two sales that occurred in July 2009 and September 2009 for prices of \$755,000 and \$800,000 or \$175.38 and \$200.15 per square foot of living area, including land, respectively. These sales were unadjusted, occurred after the assessment date at issue but the properties were located in close proximity to the subject property. Considering these most probative sales that occurred in 2008 and 2009 and the fact the subject dwelling has issues due to its construction over a natural spring, the Board finds the subject property had a market value of \$950,000 as of January 1, 2009. Since market value has been determined the 2009 three year average median level of assessments for DuPage County of 33.26% shall apply.

Based on the market value finding herein the Board further finds that an additional reduction based on assessment inequity is not justified.

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.

Ronald 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: September 21, 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.