FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: John Kotara
DOCKET NO.: 10-00736.001-R-2
PARCEL NO.: 15-08-11-201-008-0000

The parties of record before the Property Tax Appeal Board are John Kotara, the appellant, by attorney William I. Sandrick of the Sandrick Law Firm, LLC, in South Holland, 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:	$55,386
IMPR.:	$117,462
TOTAL:	$172,848

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel is improved with a two-story brick and frame exterior constructed single family dwelling built in 1996. The dwelling contains 4,554 square feet of living area[1] with a full basement that is 70% finished, central air conditioning, two fireplaces, an in-ground swimming pool "with an enclosure" and a three-car garage. The subject property also has a shed and is located in New Lenox, New Lenox Township, Will County.

The appellant's appeal contends the market value of the subject property is not accurately reflected in its assessed valuation. In support of this argument, the appellant submitted an appraisal prepared by real estate appraiser Eric Sladcik of David M. Richmond Appraisals estimating the subject property had a market

[1] The appellant's appraiser reported a dwelling size of 4,554 square feet and included a detailed schematic drawing of each of the floors of the dwelling. The assessing officials reported a dwelling size of 5,013 square feet and included a copy of the property record card which included a simplistic schematic footprint of the subject dwelling. Having examined the evidence, the Board finds the best evidence of the subject's dwelling size was presented by the appellant's appraiser.

value of $330,000 as of January 1, 2011. The purpose of the appraisal was for an "estimation of value for tax purposes" by appraising the fee simple interest in the property.

For market conditions, the appraiser prepared a Market Conditions Addendum to Appraisal Report wherein he noted a decline in sales per month over the past twelve months with the median selling price in the market area decreasing 24.9% "over the course of the past four quarters." He further stated that there have been a large percentage of purchases of distressed properties in the market which is impacting the average sale price of homes. "A downward adjustment time of sale considerations will be required for sales in this marketing period."

Under the cost approach, the appraiser estimated the subject's land value at $125,000 based on land sales of similar sized lots and utility in the area. Using the Marshall & Swift Cost Service along with appraiser experience, the appraiser determined a replacement cost new for the subject dwelling including the basement and garage of $731,325. Physical depreciation of $121,887.70 was calculated using the age/life method along with external obsolescence of $213,303 "due to the general poor economic conditions and the slow down in the housing market." These deductions resulted in a depreciated value of improvements of $396,134.22. Next, a value for site improvements of $40,000 was added. Thus, under the cost approach, the appraiser estimated a market value of $561,100, rounded, for the subject.

Under the sales comparison approach, the appraiser used sales of four comparable homes located between 0.83 and 3.94-miles from the subject property. The comparables consist of two-story brick and frame dwellings which were from 3 to 9 years old. The comparables range in size from 3,634 to 4,400 square feet of living area. Each of the comparable properties has a basement, two of which include finished area, central air conditioning, one to three fireplaces and a three-car garage. The properties sold between October 2009 and May 2010 for prices ranging from $418,000 to $489,900 or from $111.34 to $125.21 per square foot of living area, including land.

In comparing the comparable properties to the subject, the appraiser made adjustments for date of sale/time, land area, age, condition, room count, dwelling size, basement finish, fireplaces and pool amenity. While the appraisal report references further discussion of the adjustments in an addendum, no additional discussion of the process was found in the report filed with the Board. The analysis resulted in adjusted sales prices for the comparables ranging from $507,160 to $539,300 or from $119.56 to $148.40 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 $520,000 or $114.19 per square foot of living area, including land.

In the final reconciliation, the appraiser concluded an estimate of value of $330,000 giving most weight to the sales comparison with secondary consideration to the cost approach.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to $109,989 which would reflect a market value of $330,000 at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $266,458 was disclosed. The final assessment of the subject property reflects a market value of $801,619 or $176.03 per square foot of living area, including land, based using the 2010 three-year median level of assessments for Will County of 33.24%.

The board of review submitted a letter with data gathered by the New Lenox Township Assessor which included a limited grid analysis of three sales with applicable property record cards and photographs of the properties. The grid analysis depicts three two-story dwellings that range in size from 3,799 to 6,757 square feet of living area and sold between September 2007 and January 2009 for prices ranging from $730,000 to $1,710,000 or from $188.19 to $253.07 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 appellant 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). 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 this burden of proof has been met and a reduction in the subject's assessment is warranted.

The appellant submitted an appraisal of the subject property with a final value conclusion of $330,000 as of January 1, 2011. Having examined the entire record wherein the appraiser arrived at value conclusions of $561,100 under the cost approach and $520,000 under the sales comparison approach, the Board finds the value conclusion set forth in reconciliation by the appraiser is not valid and/or supportable on the record and thus, the value

conclusion will be given no credence in determining the correct estimated market value of the subject property.

However, the appraiser considered four sales which occurred from October 2009 and May 2010 for prices ranging from $418,000 to $489,900. The properties had varying degrees of similarity to the subject and the appraiser made adjustments to those comparables for differences from the subject in arriving at a value conclusion of $520,000 under the sales comparison approach. The board of review submitted very limited data regarding three sales that occurred from September 2007 to January 2009 which is more distant in time to the assessment date of January 1, 2010 than the sales data presented in the appraisal.

Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50). The Illinois Supreme Court has construed "fair cash value" to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced so to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970). 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 Property Tax Appeal Board finds that the sales comparison approach to value within the appellant's appraisal estimating the subject's market value as $520,000 is the best evidence of the subject's market value in the record. 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 2010 of 33.24% 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: May 24, 2013

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.