FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: First National Bank of Brookfield
DOCKET NO.: 10-01232.001-R-1
PARCEL NO.: 06-05-402-010

The parties of record before the Property Tax Appeal Board are First National Bank of Brookfield, the appellant, by attorney Joanne Elliott of Elliott & Associates, P.C. in Des Plaines, and the Kendall 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 **Kendall** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$23,616
IMPR.:	$0
TOTAL:	$23,616

Subject only to the State multiplier as applicable.

ANALYSIS

The subject, known as Lot 23, Henneberry Woods Unit 1, consists of a vacant parcel of land located in Oswego, Na-Au Say Township, Kendall County. The parcel contains approximately 30,816 square feet of land area or, rounded, approximately .71 of an acre.

In support of this overvaluation complaint, the appellant filed a "limited" land appraisal report with the Property Tax Appeal Board prepared by T. Schmidt, a Certified Residential Real Estate Appraiser. The appraisal states that it was intended to estimate market value and the rights appraised were fee simple. The appraisal provides an estimated market value of $60,000 or $1.95 per square foot of land area as of November 29, 2010.

As part of the report, Schmidt indicated that the neighborhood presented declining property values, but otherwise had a steady growth rate, demand/supply were in balance and marketing times were 4 to 6 months. The appraiser also reported it was likely that there would be a change in the present land use from agricultural to residential.

The subject parcel has well and septic systems which are said to be common for the Henneberry Woods Development and have no adverse effect on marketability or market value.

Using the sales comparison approach to value, the appraiser analyzed three sales and five listings located from .20 to 2.76-miles from the subject. Comparables #1, #2, #4, #5 and #6 were each described as being lots in the subject's development of Henneberry Woods.

The comparables range in size from approximately 30,000 to 38,333 square feet of land area. Each comparable is described as "non wooded" like the subject and having well and septic like the subject. The eight comparables are or had been on the market from 46 to 483 days. The sales occurred from February 2010 to June 2010 for prices of $60,000 or $63,000 or from $1.64 to $2.00 per square foot of land area. The listings had asking prices ranging from $66,900 to $89,900 or from $1.75 to $2.62 per square foot of land area. The appraiser made adjustments to the listings for time. The appraiser wrote, "[p]rices of vacant lots have decreased greatly since their initial offering. There are many foreclosed lots being marketed not only in the subject's development, but in neighboring ones as well." After the adjustment process, the appraiser reported adjusted sale prices for the comparables ranging from $60,000 to $80,910 or from $1.64 to $2.36 per square foot of land area. The appraiser then concluded an estimated fair market value of the subject under the sales comparison approach of $60,000 or $1.95 per square foot of land area "contingent upon the subject property passing all required soil tests and meeting all local building and zoning codes and restrictions."

Based on this evidence, the appellant requested a reduction in the subject's assessment so as to reflect the appraised value at the statutory level of assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $42,037 was disclosed. The final assessment of the subject property reflects a market value of approximately $126,161 or $4.09 per square foot of land area using the 2010 three-year median level of assessments for Kendall County of 33.32% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review submitted a memorandum along with a grid analysis of four sales to support the subject's assessment. As to the appellant's appraisal, the board of review asserted that sales #1 and #3 were "bank REO sales." Moreover, reportedly comparable #2 was a sale "between the bank and the owner that had given the lot, along with several others, back to the bank." Documentation of this latter transaction was attached.

To support the subject's estimated market value based on its assessment, the board of review presented four sales located

within ½-mile of the subject. The parcels are each in Henneberry Woods and range in size from 31,529 to 33,787 square feet of land area. The properties sold between June 2009 and December 2009 for prices ranging from $82,500 to $90,000 or from $2.56 to $2.66 per square foot of land area.

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

In written rebuttal, the appellant's counsel argued that little weight should be given to the board of review's submission as several of the contentions are not supported by documentation. Moreover, the board of review failed to submit documentation to support the data in their grid analysis.

In reply, the board of review provided copies of the PTAX-203 Illinois Real Estate Transfer Declarations for each of the board of review's comparable sales and the appraisal comparables #1 and #3. As to board of review comparables #2 and #3 the PTAX-203 reveals that the property was not advertised for sale and the sale was the "fulfillment of Multi-Board Residential Real Estate Contract 4.0." As to board of review comparable #4, the PTAX-203 also reveals this property was not advertised for sale. The similar documentation for appraisal comparables #1 and #3 each indicate that the properties were advertised for sale, but the seller/buyer is a financial institution or government agency. Furthermore, in this additional submission, the board of review argued that the time adjustment made by the appraiser lacked explanation as to how the adjustment was calculated.[1]

After reviewing the record and considering the evidence submitted by the parties, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

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 subject's total assessment of $42,037 reflects a market value of $126,161 or $4.09 per square foot of land area when applying the 2010 three year average median level of assessments for

[1] Pursuant to Section 1910.40(a) of the Board's rules, the board of review's response to an appeal is to include "all written and documentary evidence support the board of review's position." (86 Ill.Admin.Code §1910.40(a)).

Kendall County of 33.32%. The subject's total assessment reflects a market value that is substantially greater than all of the sales and listings presented in this appeal both in terms of overall value and on a per-square-foot basis.

The Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of $60,000 or $1.95 per square foot of land area as of November 29, 2010. The sales occurred from February 2010 to June 2010 for prices of $60,000 or $63,000 or from $1.64 to $2.00 per square foot of land area. The listings had asking prices of $66,900 to $89,900 or from $1.75 to $2.62 per square foot of land area. The appraiser made adjustments for time only to the listings to arrive at adjusted sales prices ranging from $1.64 to $2.36 per square foot of land area. Upon closer examination of these eight suggested comparables, the Board finds larger parcels of 38,333 square feet had adjusted prices of $1.57 and $1.64 per square foot of land area. The next lowest adjusted sale price was $1.94 per square foot for comparable #1 of 30,928 square feet. Five of the comparables had adjusted sales prices ranging from $2.00 to $2.36 per square foot of land area. Given that the majority of the comparables that were similar in size to the subject had values of $2.00 or more per square foot, the Board finds that the appraiser's value conclusion of $1.95 per square foot of land area is not well supported by the appraiser's own adjustment process. Therefore, the appraiser's value conclusion is not found to be a reliable indicator of the subject's estimated market value without further adjustment weighing more heavily the most similarly sized parcels in the report.

The board of review presented four sales of properties that sold between June 2009 and December 2009 for prices ranging from $82,500 to $90,000 or from $2.56 to $2.66 per square foot of land area.

Having examined the data in the record, the Property Tax Appeal Board finds that the subject property is overvalued based on its assessment that reflects $4.09 per square foot of land area. Based upon the best market value evidence in the record, the Property Tax Appeal Board finds that a reduction 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.

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: April 19, 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.