



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

APPELLANT: Rowcor, LLC
DOCKET NO.: 10-01497.001-R-1
PARCEL NO.: 02-14-354-011

The parties of record before the Property Tax Appeal Board are Rowcor, LLC, the appellant, 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: \$20,502
IMPR.: \$66,165
TOTAL: \$86,667**

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story single-family dwelling of frame and masonry construction containing approximately 4,120 square feet of living area.¹ The dwelling was constructed in 2007. Features of the home include an unfinished basement, central air conditioning, a fireplace² and a three-car garage of 962 square feet of building area. The property has a site of at least 11,960 square feet of land area³ and is located in Yorkville, Bristol Township, Kendall County.

The appellant's appeal is based on both overvaluation and lack of assessment uniformity. In support of these arguments, the appellant completed Section IV - Recent Sale Data, provided a

¹ The appellant reported a dwelling size of 4,054 square feet; the appellant's appraiser reported a dwelling size of 4,032 square feet; and the board of review reported a dwelling size of 4,120 square feet. The Property Tax Appeal Board finds this minimal difference in size is irrelevant to a determination of the correct assessment of the subject property.

² The appellant and appraiser reported the subject enjoys two fireplaces.

³ The appellant and the appellant's appraiser reported a lot size of 11,960 square feet. The board of review reported a lot size of 12,078 square feet of land area. Neither party submitted any support for their respective lot size determinations.

grid analysis with sales and assessment data, and submitted an appraisal of the subject property.

The appellant indicated on the appeal form that the subject property was purchased in February 2010 for a price of \$230,000 from the Federal National Mortgage Association. The appellant indicated the subject property was sold by the owner, the parties to the transaction were not related and the property was advertised on the open market with the Multiple Listing Service for a period of 7 days.

In the Section V grid analysis, the appellant set forth three comparable properties located in Grande Reserve, Unit 6 whereas the subject is located in Grande Reserve, Unit 4. The comparables were described as two-story frame and masonry dwellings that were each 5 years old. The dwellings range in size from 3,039 to 3,654 square feet of living area. Features include full unfinished basements, one of which is a lookout style. Each comparable has central air conditioning and a fireplace. One comparable has a two-car garage and another comparable has a "pavilion/addition." The comparables have improvement assessments ranging from \$69,150 to \$86,181 or from \$22.12 to \$25.73 per square foot of living area. The subject's improvement assessment is \$111,020 or \$26.95 per square foot of living area based upon a dwelling size of 4,120 square feet.

In further support of the overvaluation argument, the appellant submitted sale dates and sale prices for each of the comparables. The sales occurred between August 2005 and July 2006 for prices ranging from \$385,990 to \$493,953 or from \$105.63 to \$162.54 per square foot of living area, including land.

The appellant also submitted an appraisal of the subject property estimating a market value of \$260,000 as of January 1, 2010. The appraisal was prepared by Stephen S. Straley, a State of Illinois Certified Residential Real Estate Appraiser. In estimating the market value of the subject property, the appraiser developed the sales comparison approach to value.

For the subject's sale history, the appraiser acknowledged a foreclosure deed was issued in December 2009. The subject was listed in February 2010 for \$220,000 with a contract executed also in February 2010 resulting in the purchase price of \$230,000.

The appraiser discussed market conditions in the addendum to the report noting that in the past 12 to 24 months there were 189 single family units sold ranging from \$101,110 to \$1,000,000 with a median selling price of \$275,000 and an average of 211 days on the market. In the past 12 months, there were 191 single family units sold for \$63,000 to \$545,000 with a median selling price of \$230,000 and an average of 193 days on the market. Finally, it was noted that in the past twelve months in the subject's neighborhood there were 191 sales or 15.92 sales per month. The appraiser opined this reflected an oversupply of properties

during this period and "the variance in the median selling price indicates an annual decline of 16%." Furthermore, the appraiser wrote:

. . . most sales within the subject's neighborhood, as noted above, are of foreclosure or short sale in nature. Every effort was made by the appraiser to NOT use short sales or foreclosures, but as stated above, there were no sales of two story design within the 12 year [*sic*], retroactive, effective appraisal date for use within this appraisal that were not foreclosures.

(Appraisal, Addendum Page 2 of 3).

As part of the report, the appraiser provided information on six comparable sales that were on the market from 6 to 178 days.⁴ The comparables were located from .20 to .34 of a mile from the subject property. The comparables have sites ranging in size from 11,000 to 17,000 square feet of land area. Each comparable is improved with a two-story dwelling of frame and masonry construction. The homes range in size from 3,300 to 4,200 square feet of living area and range in age from 3 to 5 years old. Features of the comparables include an unfinished basement, one of which is an English style. Each home has central air conditioning, a fireplace and a three-car garage. The properties sold from April to December 2009 for prices ranging from \$192,000 to \$304,500 or from \$58.18 to \$82.30 per square foot of living area, including land.

In the addendum, the appraiser explained that time adjustments "were made to those sales analyzed exceeding suggested 90 day time guidelines (note, time adjustments were made to the month of contract, not the month of sale)." He further stated no adjustments were warranted for variances in site size. Room count adjustments reflect "the superior bathroom utility & third & fourth bedroom utility, over & above the value for gross living area." Furthermore, for comparables #3 and #4 the appraiser stated that no additional value could be extracted from the market data for the fifth bedroom utility, over and above the value already calculated for gross living area. Additional adjustments were made for upgrading/condition, reported "as-is" condition and potential deferred maintenance all of which were discussed in the addendum. Thus, after making adjustments to the comparables for differences from the subject the appraiser calculated the comparables had adjusted prices ranging from \$235,468 to \$313,600 or from \$63.80 to \$84.76 per square foot of living area, including land. Based on this data the appraiser estimated the subject had an estimated value under the sales comparison approach of \$260,000 or \$63.11 per square foot of living area, including land, based on a dwelling size of 4,120 square feet.

⁴ In the addendum, the appraiser reported that each of these comparables involved a foreclosure deed or a sheriff's deed.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$86,666.67 [sic]⁵ which would 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 total assessment of \$131,522 was disclosed. The subject's assessment reflects a market value of \$394,724 or \$95.81 per square foot of living area, including land, when applying the 2010 three year average median level of assessment for Kendall County of 33.32% as determined by the Illinois Department of Revenue.

In its grid analysis, the board of review also reported the subject's purchase price in February 2010 for \$230,000.

In response to the appeal, the board of review submitted a letter criticizing certain aspects of the appellant's appraisal and discussing the board of review's suggested comparable sales in support of the subject's assessment. The board of review questioned the lack of necessity for time adjustments in the appraisal given the dates of sale as compared to the date of valuation. In addition, the board of review questioned the lack of uniformity in adjusting for FHA financing with one property, but not doing so for two other comparables with like financing. Finally, the board of review questioned the appraiser's adjustment process for room count again noting discrepancies in the apparent manner in which adjustments were made, although the board of review did not address the appraiser's explanation in the addendum as outlined above.

The board of review submitted information on four comparable sales and noted that the subject and its comparables #1 and #4 are located in the same "club house community" subdivision; comparables #2 and #3 were located 1 and 2-miles from the subject property. The comparables have sites ranging in size from 10,097 to 14,913 square feet of land area. Each parcel is improved with a two-story dwelling of frame and masonry construction. The homes range in size from 3,261 to 4,033 square feet of living area and range in age from 2 to 8 years old. Features of the comparables include a basement, two of which are look-out styles. Each home has central air conditioning, a fireplace and a garage ranging in size from 441 to 660 square feet of building area. The properties sold from January 2009 to April 2010 for prices ranging from \$290,000 to \$443,294 or from \$88.44 to \$110.57 per square foot of living area, including land.

In the letter, the board of review further contended that if the same adjustments were applied to these sales as were used by the appellant's appraiser, the board of review's comparable sales would have adjusted sales prices ranging from \$306,820 to \$438,294 or from \$93.57 to \$109.33 per square foot of living area, including land.

⁵ Assessments are typically rounded to the nearest whole dollar.

Based on this 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 a reduction in the subject's assessment is warranted.

The appellant contends 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); 86 Ill.Admin.Code §1910.63(e). 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 appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence of market value to be the appraisal of the subject property submitted by the appellant. The appellant's appraiser developed the sales comparison approach to value and provided detailed explanations as to the selection of comparables and the adjustments that were made within the sales comparison approach. The sales utilized by the appraiser were similar to the subject in location, size, style, exterior construction, features and age. These properties also sold proximate in time to the assessment date at issue. The appraised value is below the market value reflected by the assessment.

The appraised value is further supported by the recent purchase price of the subject property of \$230,000 in February 2010. The subject's sale price, however, was given reduced weight due to its limited exposure time in the real estate market of only seven days. Reduced weight was also given to the three sales comparables in the appellant's grid analysis as the sales of these properties were not proximate in time to the assessment date of January 1, 2010 as each occurred in 2005 or 2006 and are therefore less indicative of the subject's estimated market value as of the assessment date. Furthermore, reduced weight was given to comparables #2 and #3 presented by the board of review as these properties were not proximate to the subject in location. Reduced weight was also given to board of review comparables #1 and #4 as each of these properties featured a larger and superior look-out basement not than the basement enjoyed by the subject and were therefore dissimilar to the subject property this basement feature.

In summary, based on this record the Property Tax Appeal Board finds a reduction in the subject's assessment in accordance with the appellant's request is warranted on grounds of overvaluation.

The appellant also contended unequal treatment in the subject's assessment as a basis of the appeal. 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). After an analysis of the assessment data and considering the reduction in assessment for overvaluation, the Board finds that the subject property is equitably assessed and no further 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

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: June 21, 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.