



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

APPELLANT: Steve & Paula Frederiksen
DOCKET NO.: 10-01786.001-R-1
PARCEL NO.: 03-09-376-002

The parties of record before the Property Tax Appeal Board are Steve and Paula Frederiksen, the appellants, by attorney Laura Godek of Laura Moore Godek, PC, McHenry; and the Kane 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 Kane County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$31,916
IMPR: \$131,084
TOTAL: \$163,000

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story single family dwelling with 4,536 square feet of living area. The dwelling was constructed in 1999 and is approximately 11 years old. The home has a dryvit and stone exterior construction. Features of the home include a full unfinished basement, central air conditioning, one fireplace and a three-car attached garage. The property has a 24,829 square foot or .57 acre site and is located in Carpentersville, Dundee Township, Kane County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted an appraisal estimating the subject property had a market value of \$360,000 as of January 1, 2010 and information on 17 comparable sales. The appraisal was prepared by Elyce M. Meador of Brad Meador & Associates, LLC. Elyce Meador is a state certified real estate appraiser. She indicated in her report that the property rights appraised were the fee simple interest and the appraisal was to be used for tax appeal purposes.

The appraiser described the home as being in good condition with no repairs needed but also stated the owner had shown the basement where there had been leaks. She further stated that

although the leaks have been patched the owner states that water continued to leak through the foundation. The appraiser made a negative \$10,000 adjustment for negative appeal.

In estimating the market value of the subject property the appraiser developed both the cost and sales comparison approaches to value. Under the cost approach she estimated a site value of \$90,000 based on recent sales for similar sized parcels. Using Marshall and Swift and local costs the appraiser estimated the replacement cost new to be \$429,050. Depreciation in the amount of \$16,209 was deducted to arrive at a depreciated cost of the improvements of \$412,841. To this the appraiser added \$5,000 for the site improvements and the site value to arrive at an estimated value under the cost approach of \$507,841.

In developing the sales comparison approach the appraiser used four sales located in Carpentersville and Algonquin. The comparables were improved with two-story single family dwellings that ranged in size from 3,099 to 4,018 square feet of living area. The dwellings ranged in age from 9 to 18 years old and were of brick and siding or brick and cedar exterior construction. Each comparable had a basement with three being finished. Other features of each comparable include central air conditioning, a fireplace and a two or three-car garage. These properties had sites that ranged in size from .22 to .45 acres. The sales occurred from February 2009 to September 2009 for prices ranging from \$318,400 to \$349,000 or from \$86.86 to \$111.33 per square foot of living area. The appraiser made adjustments for three of the comparables for date of sale. The appraiser also made adjustments for such items as view, design, room count, gross living area, basement area, basement finish, heating, garage bays, patio/deck area and for the subject's leaking basement. The appraiser determined the comparables had adjusted prices ranging from \$345,245 to \$409,740. Using this data the appraiser estimated the subject property had an estimated market value under the sales comparison approach of \$360,000. In conclusion the appraiser estimated the subject property had a market value of \$360,000 as of January 1, 2010.¹

The appellants also submitted information on 17 comparables sales improved with one 1-story dwelling and 16 2-story dwellings that ranged in size from 2,240 to 3,834 square feet of living area. The comparables were located in Carpentersville, West Dundee, Algonquin and Sleepy Hollow. The dwellings ranged in age from 4 to 24 years old. Each comparable had a basement with ten being identified as having finished area. Each comparable also had central air conditioning, one or two fireplaces and a two or three-car garage. Their sites ranged in size from 10,019 to 32,670 square feet of land area. The sales occurred from February 2009 to October 2010 for prices ranging from \$253,900 to \$395,000 or from \$92.40 to \$128.50 per square foot of living area.

¹ In the addendum the appraiser stated the estimated market value of the subject property was \$450,000 as of January 1, 2010.

Based on this evidence the appellants requested the subject's assessment be reduced to \$120,000 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$194,713 was disclosed. The subject's assessment reflects a market value of \$583,672 or \$128.68 per square foot of living area, including land, when applying the 2010 three year average median level of assessments for Kane County of 33.36%.

In support of the assessment the board of review submitted information on five comparable sales improved with two-story single family dwellings that ranged in size from 3,304 to 4,317 square feet of living area. The comparables were located in West Dundee, Carpentersville, Dundee and Sleepy Hollow. The dwellings were constructed from 1992 to 2007. Each comparable had a basement with two being finished. Other features include central air conditioning, one or two fireplaces and attached garages that ranged in size from 720 to 927 square feet of building area. The comparables sold from September 2007 to May 2012 for prices ranging from \$500,000 to \$797,389 or from \$133.90 to \$184.71 per square foot of living area, including land.

In rebuttal the appellants' counsel submitted comments and copies of the Multiple Listing Service (MLS) sheets on the five sales submitted by the board of review. She commented that board of review sales #2, #3, #4 and #5 did not sell proximate in time to the January 1, 2010 assessment date. She also commented that the board of review comparables had different exterior construction than the subject composed of brick and/or cedar exteriors. She noted comparable #1 was never occupied prior to purchase, was an upgraded former model home and is described on the listing as having exposure to water. Counsel noted that comparable #2 was described as being adjacent to a forest preserve and had superior features compared to the subject. With respect to comparable #3, counsel argued the listing indicated the dwelling was new construction at the time of purchase and had superior features compared to the subject dwelling. She commented on the location of comparable #4 and the upgrades described in the listing of the property.

In conclusion counsel argued the best evidence of value in the record was the appellants' appraisal.

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 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.

In reviewing the sales comparison approach contained in the appraisal and the sales submitted by the parties, the Board finds all the dwellings are significantly smaller than the subject property. Furthermore, the Board finds appellants' comparable sale #4 was a one-story dwelling dissimilar to the subject property; therefore, this sale was given no weight. The Board also finds board of review sales #2, #3, #4 and #5 sold in August 2008, September 2007, May 2012 and July 2008, respectively. The Board finds these sale dates are not as proximate in time to the assessment date at issue as the remaining sales used by the parties and are given little weight.

With respect to the appellants' appraisal the Board finds the comparable sales were smaller than the subject dwelling with three being approximately 1,500 square feet or 33% smaller than the subject dwelling. The appraisal comparables sold for unit prices ranging from \$86.86 to \$111.33 per square foot of living area, including land. The appraiser ultimately estimated the subject property had a market value of \$360,000 or \$79.37 per square foot of living area, including land, which is significantly below the sales on a per square foot basis. Additionally, the subject's estimated value is from approximately \$11,000 to \$41,600 greater than the sales price of the individual comparables, which is difficult to justify given the subject dwelling is so much larger than each of these homes. As a result of this analysis the Board finds the appraisal understates the value of the subject dwelling.

The 16 remaining sales submitted by the appellants are improved with two-story dwellings that were also smaller than the subject property but sold in 2009 and 2010. These comparables had prices ranging from \$260,000 to \$395,000 or from \$92.40 to \$128.50 per square foot of living area, including land. The subject's assessment reflects a market value of \$583,672 or \$128.68 per square foot of living area, including land, when applying the 2010 three year average median level of assessments for Kane County of 33.36%. The subject's assessment reflects a market value above the range of the sales in the appraisal as well as these 16 sales on a square foot basis.

The Board finds that only board of review comparable sale #1 should be given any consideration. Board of review sale #1 was smaller than the subject by approximately 500 square feet, superior to the subject in age, had brick exterior construction, had a larger garage and was arguably superior in condition when it sold based on the comments in the listing. This property sold in July 2010 for a price of \$530,000 or \$135.90 per square foot of living area, including land. The Board finds this sale would

require a downward adjustment to make it equivalent to the subject property.

In conclusion, after reviewing the appellants' appraisal and the sales submitted by the parties, the Property Tax Appeal Board finds a reduction in the subject's assessment is 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.

Donald R. Cuit

Chairman

[Signature]

Member

[Signature]

Member

[Signature]

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: March 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.