FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Christine L. Ward
DOCKET NO.: 11-00357.001-R-1
PARCEL NO.: 12-02-08-203-001-0000

The parties of record before the Property Tax Appeal Board are Christine L. Ward, the appellant, by attorney John K. Norris of Rubin & Norris, in Chicago, 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:	$13,000
IMPR.:	$61,800
TOTAL:	$74,800

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a split-level dwelling of frame exterior construction containing approximately 2,777 square feet of living area.[1] The dwelling was constructed in 1979. Features of the home include a finished partial lower-level, central air conditioning and an attached two-car garage. The property has an 8,776 square foot site and is located in Bolingbrook, DuPage Township, Will County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of $200,000 as of

[1] The assessing officials report a dwelling size of 2,706 square feet. The appellant's appraiser included a detailed schematic to support the dwelling size determination which is deemed to be the best evidence in this record for purposes of this appeal.

November 15, 2010. The appraisal was prepared by Kenneth Vega, a State of Illinois Certified Residential Real Estate Appraiser. In estimating the market value of the subject property the appraiser developed the cost and sales comparison approaches to value.

As part of the report, the appraiser prepared a Market Conditions Addendum wherein he developed an analysis of market conditions and concluded that although area market values appear to be increasing, "they were considered to be stable due to the markets [sic] over supply of competing properties for sale and due to the areas [sic] high foreclosure rate."

Under the cost approach, the appraiser estimated the subject had a site value of $25,000. The appraiser estimated the replacement cost new of the improvements to be $414,060. The appraiser estimated physical depreciation to be $82,812 based upon the age/life method resulting in a depreciated improvement value of $331,248. The appraiser also estimated the site improvements had a value of $10,000. Adding the various components, the appraiser estimated the subject property had an estimated market value of $366,248 under the cost approach to value.

Using the sales comparison approach, the appraiser provided information on four comparable sales and two active listings located from .43 to 1.05-miles from the subject property. The comparables are described as either two-story or split-level dwellings of frame or frame and masonry construction that range in size from 1,551 to 2,889 square feet of living area. The dwellings were 5 to 36 years old. Each comparable has a full or partial basement/lower level, four of which include finished area. Each home has central air conditioning and three comparables have a fireplace. Each dwelling features a two-car garage. The comparables have sites ranging in size from 7,870 to 15,015 square feet of land area. Four of the comparables sold from January to September 2010 for prices ranging from $188,000 to $218,000 or from $75.46 to $121.21 per square foot of living area, including land. The listings had asking prices of $175,000 and $239,900 or $93.38 and $88.69 per square foot of living area, including land, respectively. Within the addendum to the report, the appraiser acknowledged that comparables #2 and #5 were foreclosed and pre-foreclosed properties which were considered due to their similarities to the subject in size/age "and also due to the areas [sic] high foreclosure rate."

After making adjustments to the comparables for sales/financing concessions and/or date of sale/time along with differences from the subject in lot size, age, condition, room count, gross living area, below grade finish along and/or kitchen/bath modernization, the appraiser estimated the comparables had adjusted prices ranging from $197,325 to $220,900 or from $81.41 to $135.49 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 $200,000 or $72.02 per square foot of living area, including land.

In reconciling the value conclusions, the appraiser placed "all weight" on the sales comparison approach as it best represents buyer/seller negotiations.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value 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 total assessment of $83,300 was disclosed. The subject's assessment reflects a market value of $250,828 or $90.32 per square foot of living area, including land, when applying the 2011 three year average median level of assessment for Will County of 33.21% as determined by the Illinois Department of Revenue.

In support of the subject's assessment, the board of review submitted a one-page memorandum from the DuPage Township Assessor outlining arguments in response to the appellant's appraisal evidence and discussing Exhibit B, consisting of the assessor's suggested comparable data to support the assessment of the subject property.

In the memorandum, the assessor contends that the sales and listings utilized by Vega were "invalid" as foreclosures, a bank sale or sold after January 1, 2011 (the active listings). Comparable #1 was reportedly a bad comparable due to its location in a Special Services Area where additional taxes of $1,700 are paid.[2] The assessor acknowledged that comparable #4 was a "valid sale." While at the time of the report, comparables #5 and #6 were listings, the assessor reports these are "invalid" sales as "townships cannot look at current

[2] The Special Service Area law (35 ILCS 200-27-5, et al.) authorizes imposition of taxes within the area "at a rate or amount of tax sufficient to produce revenues required to provide the special services" (35 ILCS 200/27-25).

listings; only closed valid sales." In the data, the assessor reported that comparable #5 sold in February 2011 for $175,000 or $93.38 per square foot of living area, including land, and comparable #6 sold in January 2011 for $225,000 or $83.18 per square foot of living area, including land.

Next, the assessor discussed that there were only two sales in the subject's subdivision in 2008 - 2010 in the Will County Sales Ratio Study for $225,250 and $200,000. Each of these homes contains 2,201 square feet, lacks a basement and reflects a purchase price of $102.34 and $90.87 per square foot of living area, including land. There was no analysis of these properties in terms of lot size, age and/or features of these properties.

Exhibit B is a grid analysis with information on four comparable sales which are improved with two-story dwellings which range in size from 2,225 to 2,397 square feet of living area. The dwellings were constructed from 1990 to 1993. The only amenities described in the grid analysis are the number of plumbing fixtures and garage sizes which range from 400 to 440 square feet of building area. These four comparables sold from April 2008 to August 2010 for prices ranging from $261,100 to $320,000 or from $117.35 to $133.50 per square foot of living area, including land.

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

In written rebuttal, counsel for the appellant responded to the contention that sales in the appraisal report were "invalid" by citing to Section 16-55(b) of the Property Tax Code (35 ILCS 200/16-55):

> The board shall include compulsory sales in reviewing and correcting assessments, including, but not limited to, those compulsory sales submitted by the taxpayer, if the board determines that those sales reflect the same property characteristics and condition as those originally used to make the assessment. The board shall also consider whether the compulsory sale would otherwise be considered an arm's length transaction.

In further response to the criticisms of the appraisal report, counsel noted that the fact that two of the comparables were listings does not mean they are irrelevant. Listings can provide an indication of market value for similar properties. This is also part of the analysis in a stagnant market with

competition for limited buyers and a supply of available properties. Noting that the assessor provided the data which reveals the actual sales prices of these listings of $175,000 and $225,000, respectively, counsel further argues that comparable #6 is the best comparable in physical characteristics and location on the same street as the subject property. These sales occurred closest in time to the assessment date. Counsel contends the sale price of $83 per square foot of living area, including land, for comparable #6 should be analyzed with adjustments for superior lot size and modernization as made by the appraiser.

As to the assessor's contention that appraisal comparable #4 is the best property for analysis, counsel notes the difference in age being much newer and substantially smaller size than the subject.

As to the four sales presented by the township assessor, counsel noted two of the sales occurred in 2008 "when the market conditions and property values were considerably greater than at the lien date of January 1, 2011." Each of the suggested properties was built in the 1990's making them much more modern than the subject which was built in 1979. Each of the comparables were from 11% to 18% smaller than the subject. The assessor also did not provide much detail as to the amenities of these comparables.

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 subject's total assessment of $83,300 reflects a market value of $250,828 or $90.32 per square foot of living area,

including land, when applying the 2011 three year average median level of assessments for Will County of 33.21%. The Property Tax Appeal Board finds the appellant submitted an appraisal of the subject property with a final value conclusion of $200,000 as of November 15, 2010.

To arrive at the value conclusion, the appraiser analyzed and primarily relied upon four sales and two listings that were relatively close in proximity to the subject, but which primarily consisted of two-story dwellings as compared to the subject's split-level design. The Board finds the appraiser provided no adjustment for this design difference and only noted these were the "best sale comparables available at the time of this analysis." Five of the six dwellings are smaller than the subject, with three being around 1,000 square feet smaller than the subject. However, as a consequence of the analysis in the sales comparison approach, the appraiser estimated adjusted sales prices for the six properties ranging from $81.41 to $135.49 per square foot of living area, including land, and opined a market value for the subject of $72.02 per square foot of living area, including land. The appraiser provided no explanation why the subject's value would be less than the estimated adjusted sales prices of the comparables presented.

In addition, the appraiser estimated a value for the subject of $366,428 under the cost approach and then reconciled these two value conclusions noting "the cost approach, although supportive, was considered to be unreliable." The appraiser then gave most weight to the sales comparison value conclusion of $200,000, or more than $100,000 less than the cost approach conclusion without further explanation. In conclusion, the Board gives no weight to the value conclusion contained in the appellant's appraisal as the final value conclusion was not well-supported in light of the adjustments made to the comparables.

On this record, the Property Tax Appeal Board also finds it very significant that the appraiser's comparable #6 reportedly sold in January 2011 for $225,000 after having been listed for $239,900. This dwelling is very similar to the subject in location, age, design and size.

The Property Tax Appeal Board also finds the board of review presented data regarding four sales that occurred in 2008, 2009 or 2010. These properties were each two-story dwellings, not split-level homes like the subject. These homes were built between 1990 and 1993 whereas the subject was built in 1979 and

these homes were each smaller than the subject dwelling. In analyzing the board of review's submission, the Property Tax Appeal Board has given little weight to board of review's suggested sales due to multiple factors of: newer age, substantially smaller dwelling size and their frame exterior construction which differs from the subject's frame and masonry construction.

In summary and after giving due consideration to the sales in the appraisal report and the reported sales prices of the two listings which the appraiser presented, the Property Tax Appeal Board finds that on this record the subject dwelling is overvalued in light of its assessment that reflects an estimated market value of $250,828. Based on the most similar sales comparables in the record including the reported sale of comparable #6 which was presented by the appraiser as a listing, the Property Tax Appeal Board finds that the subject's assessment is not reflective of the property's estimated market value as of January 1, 2011 and 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: February 21, 2014

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.