FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Shannon Hayes
DOCKET NO.: 11-02431.001-R-1
PARCEL NO.: 09-02-413-002

The parties of record before the Property Tax Appeal Board are Shannon Hayes, the appellant, and the DuPage 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 **DuPage** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$141,270
IMPR.:	$55,970
TOTAL:	$197,240

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a one-story single-family dwelling of masonry construction containing approximately 1,834 square feet of living area. The dwelling was constructed in approximately 1961. Features of the home include a full finished basement,[1] central air conditioning, a fireplace and an attached two-car garage. The home also has an enclosed porch. The property has a 14,580 square foot site and is located in Hinsdale, Downers Grove Township, DuPage 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 $595,000 as of May 25, 2011. The appraisal was prepared by Jason Morrison and supervised by Willard Steger, both of whom are State of Illinois Certified real estate appraisers. In estimating the market

[1] While the assessing officials report an unfinished basement for the subject dwelling, the appellant's appraiser who performed an inspection of the home reported a 100% finished basement.

value of the subject property the appraisers developed the sales comparison approach to value. The property rights appraised are fee simple and the assignment type is a purchase transaction.

As to the sale history of the subject property, the appraisers reported the subject was listed on August 30, 2010 for an asking price of $599,900 and sold on or about January 20, 2011 for $480,000 with a transfer via Warranty Deed. The appraisers further acknowledged that the subject "is currently being sold between related parties," noting that the seller is "John M. Peterman" and the buyer is "Evan M. Hayes and Shannon M. Hayes." The reported contract price is $525,000 with a contract date of January 24, 2011.

Also, in the Supplemental Addendum, the appraisers noted that the subject dwelling "has just completed being renovated throughout (floors, bathrooms, electrical, plumbing, reconfiguration of layout, etc.)" and that the renovation will "expand the GLA (Gross Living Area)." In addition, the appraisers reported the home has been updated with quality components throughout. At the time of inspection, granite counters and a kitchen sink had not been installed. The appraisers also reported the basement bathroom drain had backed up leaving the bathroom floor, bedroom, and rec room partially wet. The appraisers based their report on an extraordinary assumption that the back up in the bathroom is not indicative of a larger plumbing issue that has not been addressed. The appraisers also indicated that the "enclosed porch area behind the porch" is not functional (finishing, layout/usefulness).

Using the sales comparison approach the appraisers provided information on four comparable sales and one active listing. The comparables were located from .31 to 1.31-miles from the subject property. In the addendum, the appraisers reported the comparables presented were the most similar in the market in style, appeal, condition, size and location. "It was noted that the subject's neighborhood is comprised of homes that are either outdated, completely renovated, or are going to be torn down with new construction taking place especially on larger sites which permit homes of higher GLA or Gross Living Area to be constructed." The comparables are described as 1 split-level, 1 two-story and 3 1.5-story dwellings of frame, masonry or frame and masonry construction that range in size from 1,594 to 2,286 square feet of living area. The dwellings range in age from 51 to 95 years old, each of which was further noted as "(similar)." Features of the comparables include a full or partial basement, four of which include finished area. Each home has central air

conditioning and three comparables have one or two fireplaces. Each of the comparables has a two-car garage. The comparables have sites ranging in size from 6,250 to 15,015 square feet of land area. Four of these comparables sold in March or February 2011 for prices ranging from $480,000 to $650,000 or from $267.86 to $354.45 per square foot of living area, including land. Comparable #5 had an asking price of $599,000 or $262.03 per square foot of living area, including land.

After making adjustments to the comparables for date of sale/time and/or for differences from the subject in location, site, quality of construction, room count, gross living area, basement & finished, rooms below grade, functional utility and/or porch/patio/deck features, the appraisers estimated the comparables had adjusted prices ranging from $571,320 to $649,150 or from $273.03 to $371.08 per square foot of living area, including land. The appraisers deemed the sales comparison approach was most indicative of market value due to the reactions of buyers and sellers in an open market being the most reliable source for determining market value of competing properties. Based on the foregoing data the appraisers estimated the subject had an estimated value under the sales comparison approach of $595,000 or from $324.43 per square foot of living area, including land, as of May 25, 2011.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of $268,250 was disclosed. The subject's assessment reflects a market value of $809,201 or $441.22 per square foot of living area, including land, when applying the 2011 three year average median level of assessment for DuPage County of 33.15% as determined by the Illinois Department of Revenue.

In support of the subject's assessment the board of review submitted a two-page memorandum outlining criticisms of the appellant's appraisers' chosen comparables and outlining various aspects of five suggested comparable sales. In the memorandum, there are notations of differences in location, design, lot size, quality of construction and dates of sale being after January 1, 2011 and in one instance, the sale having been in lieu of foreclosure. As part of its spreadsheet, the board of review also reported the subject's sale in June 2011 for $525,000 and attached a copy of the PTAX-203 Illinois Real Estate Transfer Declaration noting that the property had not

been advertised for sale and was a sale between related individuals or corporate affiliates. A map presented by the board of review also depicted that both parties had comparable sales roughly equal distance from the subject.

In support of the subject's estimated market value as reflected by its assessment, the board of review presented a spreadsheet with limited information on five comparable sales where comparables #4 and #5 reflect land values. In the attached memorandum, there are notations that these five comparables differ in style, quality of construction and/or lot size from the subject and for two of the comparables, the purchased dwelling was demolished resulting in land sales values.

The three improved comparable sales consist of one-story dwellings of masonry or frame and masonry construction that range in size from 1,616 to 1,660 square feet of living area. The dwellings were constructed from 1958 to 1972 with one comparable having been renovated in 2010. Features of the comparables include a full or partial basement, one of which is partially finished, a fireplace and a garage ranging in size from 441 to 580 square feet of building area. These three improved comparables sold from July 2010 to June 2011 for prices ranging from $550,000 to $829,000 or from $340 to $499 per square foot of living area, including land, rounded.

Comparables #4 and #5 involve demolish of existing dwellings which the board of review reported result in land values of $42 and $43 per square foot of land area. Analysis of the data submitted reveals the land sales price is a direct reflection of the total purchase price divided by the land square footage. There is no indication of expenses for actual demolish, permits and/or any other related costs to clear the land.

In the memorandum, the board of review contended that comparable #2 was most similar in amenities and land size to the subject with a sale price that supports the subject's estimated market value. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant presented a three-page letter outlining arguments evidence. She also acknowledged that her father purchased the subject property on January 31, 2011 for $480,000 to reflect "concessions the seller made to repair water and plumbing issues with the home." Next, the appellant contends that the seller did not disclose the "extent of water problems with this home." After purchasing the property in June

2011 for $525,000, the appellant had to "fix a few plumbing issues" regarding water in the basement due to seepage, grading and sump pump issues. A seal was installed in the basement and water continued to be an issue, so in 2012 the appellant had the backyard re-graded. After continued problems with water, the appellant installed a flood control system "this year."

As to the board of review's comparable sales, the appellant noted differences in date of sale, construction class, lot size and/or neighborhood/location as compared to the subject. The appellant also submitted a copy of the PTAX-203 Illinois Real Estate Transfer Declaration for board of review comparable #2 which sold in June 2011 for $829,000 and reflects that the property was not advertised prior to its sale. The appellant also reported additional investigation of this property and contends the home is vacant and has been vacant for a long time with plans to redevelop the parcel at a later date by the current owner. In addition, the appellant provided applicable (correct) property record cards and photographs of these comparables. From analysis of the sales from both parties, the appellant argued that her appraisal comparable #2 and board of review comparable #3 were the most similar properties to subject which support a reduction in 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 appraisers developed the sales comparison approach to value and the sales and listing utilized by the appraisers were similar to the subject in location, size, style,

exterior construction, features, age and/or land area. Where there were differences the appraisers adjusted those characteristics. These properties also sold or were listed most proximate in time to the assessment date at issue of January 1, 2011. The appraised value of the subject of $595,000 is below the market value reflected by the assessment of the subject of $809,201.

No weight was given to comparable sales #4 and #5 as these demolished homes only addressed a purported land value and the subject's land value was not in dispute. Less weight was given to the three comparable improved sales presented by the board of review due to differences from the subject in location, age and/or the dates of sale not being as proximate in time to the assessment date at issue. The board of review's comparable #2 was not advertised before its sale and thus is not deemed to be an arm's length transaction. While comparables #1 and #3 presented by the board of review support the contention that the subject property is overvalued based on its assessment, these comparables lack detailed descriptive information necessary for a complete analysis of the similarities and differences between these properties and the subject. More importantly, there is no substantive analysis of those differences for purposes of comparison.

Based on this record the Board finds the subject property had a market value of $595,000 as of January 1, 2011. Since market value has been determined the 2011 three year average median level of assessment for DuPage County of 33.15% shall apply. (86 Ill.Admin.Code §1910.50(c)(1)).

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 18, 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.