



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

APPELLANT: John Walter  
DOCKET NO.: 12-04719.001-R-1  
PARCEL NO.: 07-32-406-002

The parties of record before the Property Tax Appeal Board are John Walter, 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:** \$37,190  
**IMPR:** \$127,740  
**TOTAL:** \$164,930

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the DuPage County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2012 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

**Findings of Fact**

The subject property consists of a two-story single-family dwelling of frame and brick exterior construction with approximately 4,409 square feet of living area.<sup>1</sup> The dwelling was constructed in 1988. Features of the home include a full unfinished basement, central air conditioning, two fireplaces<sup>2</sup> and an attached three-car garage of 744 square feet of building area. The property has an approximately 13,745 square foot cul

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<sup>1</sup> Both the appellant and the board of review reported the subject dwelling contains 4,409 square feet of living area. The appellant's appraisers arrived at dwelling sizes of 4,312 and 4,407 square feet of living area, respectively.

<sup>2</sup> The appellant reported two fireplaces for the subject, although the assessing officials only reported one fireplace amenity.

de sac site and is located in Naperville, Naperville Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted two appraisals of the subject property along with a grid analysis of four comparable sales for which the appellant also charted out differences in amenities between the comparables and the subject.

In addition, in a brief, the appellant reported that unlike other area homes, there have been no improvements to the subject property since the appellant purchased the home in 1999, other than the replacement of a damaged countertop in the kitchen and the replacement of worn carpet on the stairway and family room. Furthermore, the appellant contended that the subject dwelling has detriments of 8 foot ceiling heights and a "very shallow" unfinished basement of which two-thirds has headroom of less than 7 feet. The home also has a "sunken" family room and living room.

The appellant in the brief also reported that the subject property was placed on the market on April 1, 2013 for \$490,000. A copy of the Multiple Listing Service data sheet was submitted which includes among the remarks, "meticulously maintained custom built . . . in the White Eagle Golf Subdivision . . . ." As of the filing of this appeal, no purchase offers had been made and the appellant reported that the "high assessment and the resulting taxes are seen as [a] major problem by many buyers."

One of the appraisals estimated the subject property had a market value of \$490,000 as of March 20, 2011. The appraisal was prepared with fee simple rights by Christopher Baldwin of Blue Edge, Inc. for Charles Schwab Bank in relation to a refinance transaction. The appraiser reported the subject property had an effective age of 5 years. The appraiser prepared both the cost and sales comparison approaches to value.

Under the cost approach the appraiser estimated the subject had a site value of \$100,000. Baldwin estimated the replacement cost new of the improvements to be \$431,940. The appraiser estimated physical depreciation to be \$25,916 resulting in a depreciated improvement value of \$406,024. 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 \$516,000 under the cost approach to value.

Under the sales comparison approach to value, Baldwin analyzed three comparable sales and two active listings located within a mile of the subject property. The comparables were described as parcels ranging in size from 7,980 to 18,700 square feet of land area, three of which were located on a golf course. The parcels were improved with two-story dwellings that were 15 to 23 years old. The comparable dwellings ranged in size from 3,824 to 5,750 square feet of living area. Features include basements, four of

which were fully or 50% finished. The homes have central air conditioning, one or two fireplaces and a three-car or a four-car garage. One of the comparables also has a screen porch. Three of the properties sold between November 2010 and February 2011. The properties had sale or asking prices ranging from \$475,000 to \$599,900 or from \$104.33 to \$148.80 per square foot of living area including land.

Baldwin then made adjustments to the listings for date of sale/time and to all of the comparables for view, room count, dwelling size, basement size, basement finish and/or fireplaces. This resulted in adjusted sales prices ranging from \$469,000 to \$524,500. From this data, the appraiser estimated a market value under the sales comparison approach of \$490,000.

In reconciliation, Baldwin opined a market value of \$490,000 for the subject property which was based upon the sales comparison approach as reported in the addendum.

The second appraisal estimated the subject property had a market value of \$500,000 as of October 29, 2012. The appraisal was prepared with fee simple rights by Tracy Halsey of Stewart Appraisal Service, Ltd. for Quicken Loans, Inc. in relation to a refinance transaction. The appraiser reported the subject property had an effective age of 15 years and that the subject kitchen had been updated 6 to 10 years ago; bathrooms were updated 1 to 5 years ago. Other recent improvements included the furnace and central air units. The appraiser prepared both the cost and sales comparison approaches to value.

Under the cost approach Halsey estimated the subject had a site value of \$100,000. The appraiser estimated the replacement cost new of the improvements to be \$563,285. The appraiser estimated physical depreciation to be \$112,657 resulting in a depreciated improvement value of \$450,628. The appraiser also estimated the site improvements had a value of \$3,000. Adding the various components, the appraiser estimated the subject property had an estimated market value of \$553,600 under the cost approach to value.

Under the sales comparison approach to value, Halsey analyzed four comparable sales and two active listings located within .56 of a mile of the subject property. The comparables were described as parcels ranging in size from 11,686 to 20,769 square feet of land area; one of the properties has a golf view. The parcels were improved with dwellings that were 21 to 25 years old. The comparable dwellings ranged in size from 3,696 to 4,438 square feet of living area. Features include basements, three of which have finished areas. The homes have central air conditioning, one or two fireplaces and a three-car or a four-car garage. Four of the properties sold between May and October 2012. The properties had sale or asking prices ranging from \$449,500 to \$574,900 or from \$113.37 to \$147.87 per square foot of living area including land.

The appraiser made adjustments to the listings for financing concessions and to all of the comparables for view, condition, room count, dwelling size, basement size, basement finish, functional utility, garage size, other amenities and/or fireplaces. This resulted in adjusted sales prices ranging from \$476,600 to \$564,105. From this data, Halsey estimated a market value under the sales comparison approach of \$500,000.

In reconciliation, the appraiser opined a market value of \$500,000 for the subject property which was based upon the sales comparison approach with primary emphasis on sales #1 and #4, one being the most recent and one being on the same street as the subject, as reported in the addendum.

In the Section V grid analysis of the Residential Appeal petition, the appellant provided descriptions and sales data on four properties located within one-half of a mile from the subject property. Appellant's comparable sale #1 is the same as sale #1 in the Halsey appraisal report; appellant's comparable sale #2 is the same as sale #2 in the Baldwin appraisal report. These four parcels range in size from 11,981 to 15,393 square feet of land area which are improved with two-story or 2.5-story dwellings of brick and cedar construction, one of which also has a loft. The dwellings were 19 to 23 years old and range in size from 3,965 to 4,879 square feet of living area. Each dwelling has a basement, three of which have finished areas. The homes have central air conditioning, one to three fireplaces and a three-car garage. In the appellant's comparison analysis differences for finished basement, number of full and half baths, number of bedrooms, sunroom, rec room/media room, loft and other amenities were identified. These four properties sold between January 2011 and May 2012 for prices ranging from \$449,500 to \$560,000 or from \$106.84 to \$131.42 per square foot of living area, including land.

Based on the foregoing evidence, the appellant requested a total assessment of \$163,333 which would reflect a market value of approximately \$490,000 as set forth in the Baldwin appraisal.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$192,530. The subject's assessment reflects a market value of \$577,821 or \$131.05 per square foot of living area, land included, when using the 2012 three year average median level of assessment for DuPage County of 33.32% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review included a memorandum that asserted that one of the sales in the Baldwin appraisal report was located in the "Will County portion of the subject's development." The board of review also noted that Baldwin's sale #1 occurred in 2010. Furthermore, it was asserted that the comparables presented by the appellant have smaller basements than the subject. Additional remarks were made

regarding cul-de-sac versus non cul-de-sac locations of comparables. No mention was made of the Halsey appraisal report.

In support of its contention of the correct assessment the board of review through the Naperville Township Assessor's Office submitted information on four comparable sales located in the same neighborhood code assigned by the assessor as the subject property. The comparables consist of two-story frame and brick dwellings that were built in 1993. The homes range in size from 3,679 to 4,261 square feet of living area and have basements, one of which has finished area. Each home has central air conditioning, one or two fireplaces and a three-car garage. The properties sold between August 2010 and August 2011 for prices ranging from \$490,000 to \$560,000 or from \$130.89 to \$139.81 per square foot of living area, including land.

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

After the board of review was notified of the pendency of this appeal by the Property Tax Appeal Board, the appellant submitted additional argument along with documentation that the subject property was sold on September 13, 2013 for \$463,000. A copy of the twelve-page sales contract was provided reiterating the sale price and contract date of July 5, 2013.

Moreover, in written rebuttal, the appellant noted the assessing officials have ignored the value conclusions of two independent appraisers and contend that the subject property has a much higher value than either appraiser determined. The appellant argued against the consideration of a sale-price-per-square-foot analysis as it fails to analyze differences in features between properties. The assessing officials also have failed to consider finished basements which most of the comparables have as compared to the subject's unfinished basement. In addition, the appellant argued that basement finished area should be included in the above-grade living area square foot calculation to accurately reflect all of the living area square footage.

The appellant also reported that the 2013 assessment of the subject property was reduced to \$168,190 for an estimated market value of approximately \$504,570. The appellant contends that this substantial value decrease in one year is not supported by analyzing the Case-Shiller Home Price Index for Chicago for 2012 reflecting an increase in values of 3.5%.

Lastly, the appellant acknowledged that the 2013 sale of the subject property which was not available as of January 1, 2012 for \$463,000 further supports that the property was overvalued.

#### **Conclusion of Law**

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. 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 appraisals submitted by the appellant along with the appellant's four comparable sales. The Board has given reduced weight to board of review comparable sale #4 which occurred in August 2010, a date more remote in time to the valuation date at issue of January 1, 2012. The Board has also given reduced weight to the remaining three sales presented by the board of review which are each newer and smaller than the subject dwelling. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. Therefore, given this principle, these three smaller dwellings that are also newer than the subject fail to support the subject's estimated market value as reflected by its assessment.

The subject's assessment reflects a market value of \$577,821 or \$131.05 per square foot of living area, including land, which is above both of the appraisals submitted by the appellant and above the most similar comparable sales #1, #2 and #4 presented by the appellant. Finally, the Board recognizes that the overvaluation conclusion is further supported by the subject's 2013 listing and ultimate sale in 2013 for less than the estimated market value as reflected by the assessment for tax year 2012.

In conclusion, the Board finds the subject property is overvalued and the 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.

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Chairman



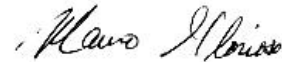
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DISSENTING: \_\_\_\_\_

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: November 20, 2015



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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.