



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

APPELLANT: American Homes 4 Rent Properties 5 LLC
DOCKET NO.: 20-05078.001-R-1
PARCEL NO.: 03-11-226-002

The parties of record before the Property Tax Appeal Board are American Homes 4 Rent Properties 5 LLC, the appellant, by attorney Jeffrey G. Hertz, of Sarnoff & Baccash in Chicago; and the Kendall County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** 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: \$21,254
IMPR.: \$63,705
TOTAL: \$84,959

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Kendall County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2020 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 parties appeared before the Property Tax Appeal Board on July 11, 2022 for a hearing pursuant to prior written notice dated May 6, 2022. Appearing on behalf of the appellant was attorney Jeffrey G. Hertz and appearing on behalf of the Kendall County Board of Review was Assistant State's Attorney James Webb, along with the board of review's witness Andy Nicoletti, CCAO.

The subject property consists of a 2-story dwelling of frame and brick exterior construction with 1,775 square feet of living area. The dwelling was constructed in 2000 and is approximately 20 years old. Features of the home include an unfinished basement, central air conditioning, and a 2-car garage. The property has a 9,975 square foot site and is located in Oswego, Oswego Township, Kendall County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$224,000 as of January 1, 2020. The appraisal was prepared by Peter Petrovich, a certified residential real estate appraiser, for ad valorem tax purposes. The appraiser conducted an exterior only inspection of the subject property.

Under the sales comparison approach, the appraiser examined four comparable sales located from 0.12 to 0.29 of a mile from the subject property. The parcels range in size from 3,776 to 9,872 square feet of land area and are improved with 2-story homes of frame exterior construction ranging in size from 1,699 to 1,860 square feet of living area. The dwellings range in age from 19 to 23 years old. Each home has a basement, two of which have finished area, central air conditioning, and a 2-car garage. One home has a fireplace. The comparables sold from March 2018 to April 2019 for prices ranging from \$206,000 to \$255,000 or from \$112.34 to \$150.09 per square foot of living area, including land.

The appraiser made adjustments to the comparables for financing concessions and for differences from the subject, such as site size, quality of construction, condition, basement finish, fireplace amenity, and other improvements, to determine adjusted sale prices ranging from \$220,286 to \$225,000. Based on the foregoing, the appraiser opined the market value of the subject property under the sales comparison approach was \$224,000 as of January 1, 2020.

The appraiser did not develop the cost approach due to the exterior only inspection and lack of sufficient information regarding the subject to develop this approach. The appraiser did not develop the income approach because homes in the subject's market area are typically not used for rental or investment purposes.

The appraiser was not present to testify at the hearing. Mr. Hertz requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$84,959. The subject's assessment reflects a market value of \$256,287 or \$144.39 per square foot of living area, land included, when using the 2020 three year average median level of assessment for Kendall County of 33.15% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales, together with property record cards for these comparables, Real Estate Transfer Declarations for each sale, and a map depicting the locations of the comparables in relation to the subject. Comparable #1 is the same property as appraisal sale #3. The comparables are located from "Next Door" to 0.25 of a mile from the subject property and within the same neighborhood as the subject property. The parcels range in size from 9,872 to 11,973 square feet of land area and are improved with 2-story homes of frame or brick and frame exterior construction ranging in size from 1,699 to 1,942 square feet of living area. The dwellings range in age from 18 to 20 years old. Each home has a basement, one of which has finished area, central air conditioning, and a garage with either 414 or 424 square feet of building area. The comparables sold from April 2019 to August 2020 for prices ranging from \$255,000 to \$272,000 or from \$139.55 to \$150.09 per square foot of living area, including land. At hearing,

Mr. Nicoletti highlighted that these comparables are located in the subject's neighborhood in close proximity to the subject, are similar in dwelling size to the subject, were constructed by the same builder as the subject, and sold close to the January 1, 2020 assessment date. On cross-examination by Mr. Hertz, Mr. Nicoletti acknowledged that the grid analysis of comparable sales submitted by the board of review did not include adjustments to the comparables, but that adjustments were needed to make them more similar to the subject.

The board of review also submitted a brief contending that the appraisal relied on two comparables which sold too remote in time to be indicative of market value as of the assessment date. At hearing, Mr. Nicoletti reiterated that two appraisal sales were older and questioned some of the large adjustments made by the appraiser. Mr. Webb argued that the appraisal should be given little weight because the appraiser was not present to testify at the hearing.

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

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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant presented an appraisal and the board of review presented three comparables sales in support of their respective positions before the Board. The Board gives little weight to the value conclusion in the appraisal because the appraiser was not present at the hearing to testify regarding the opinion contained therein. Therefore, the Board will instead consider the raw sales data presented in the appraisal and by the board of review.

The record contains a total of six comparable sales, with one common sale, for the Board's consideration. The Board gives less weight to appraisal sales #1, #2, and #4, which have substantially smaller lots than the subject. Moreover, appraisal sales #1 and #2 sold less proximate in time to the January 1, 2020 assessment date than other sales in this record.

The Board finds the best evidence of market value to be the board of review's comparables, including the common comparable, which are similar to the subject in dwelling size, lot size, age, location, and most features. These most similar comparables sold from April 2019 to August 2020 for prices ranging from \$255,000 to \$272,000 or from \$139.55 to \$150.09 per square foot of living area, including land. The subject's assessment reflects a market value of \$256,287 or \$144.39 per square foot of living area, including land, which is within the range established by the best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences when compared to the subject, the Board finds a reduction in the subject's assessment is not 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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



Member

DISSENTING: _____

CERTIFICATION

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:

August 23, 2022



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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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