



State of Illinois

PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

DECIDED BY THE BOARD

During Calendar Year 2021

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Frankfort

Robert J. Steffen
South Barrington

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PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
(35 ILCS 200/16-190(a), Illinois Compiled Statutes)
Official Rules - Section 1910.76
Printed by Authority of the State of Illinois

Decisions are available on our site:
www.ptab.illinois.gov



State of Illinois
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2021 FOREWORD

In the following pages, representative decisions of the Property Tax Appeal Board are reported. An index is also included. The index is organized by subject matter and is presented in alphabetical sequence. Section 16-190(a) of the Property Tax Code (35 ILCS 200/16-190(a)) requires the Board to publish a volume of representative cases decided by the Board during that year.

Should the reader wish to become more completely informed about an appeal than is permitted by a reading of this volume, he or she need only access the Property Tax Appeal Board's website at www.ptab.illinois.gov and click on the link that says "Appeal Status Inquiry." Access to Board records is addressed in Section 1910.75 of the rules of the Property Tax Appeal Board. Additional Property Tax Appeal Board decisions may also be accessed via the "Appeal Status Inquiry" link.

The reader should note that a docket number is created as follows: the first two digits indicate the assessment year at issue; the digits following the first hyphen identify the particular case; the letter following the second hyphen indicates the kind of property appealed ("R" for residential, "F" for farm property, "C" for commercial property, and "I" for industrial property), and the number which follows the final hyphen indicates the amount of assessed valuation at issue ("1" indicates less than \$100,000 in assessed valuation is at issue, "2" indicates between \$100,000 and \$300,000 is at issue, and "3" indicates \$300,000 or more is at issue). Thus, a docket number might appear as: 19-01234.001-I-3, designating an appeal for the 2019 tax year of an industrial property in which the contesting party is requesting a change in assessment of \$300,000 or more.

The reader should also note that Property Tax Appeal Board appeals are docketed according to the particular appeal form filed by the appellant rather than on the basis of the kind of property that is the subject matter of the appeal. Thus, a property that is actually an income producing or commercial facility might have a letter in the docket number that is inconsistent with the actual property type in the appeal.

The Property Tax Appeal Board anticipates this volume of the Synopsis of Representative Cases will continue to aid in the understanding of the issues confronted by the Board, and the kinds of evidence and documentation that meet with success.

BOARD MEMBERS

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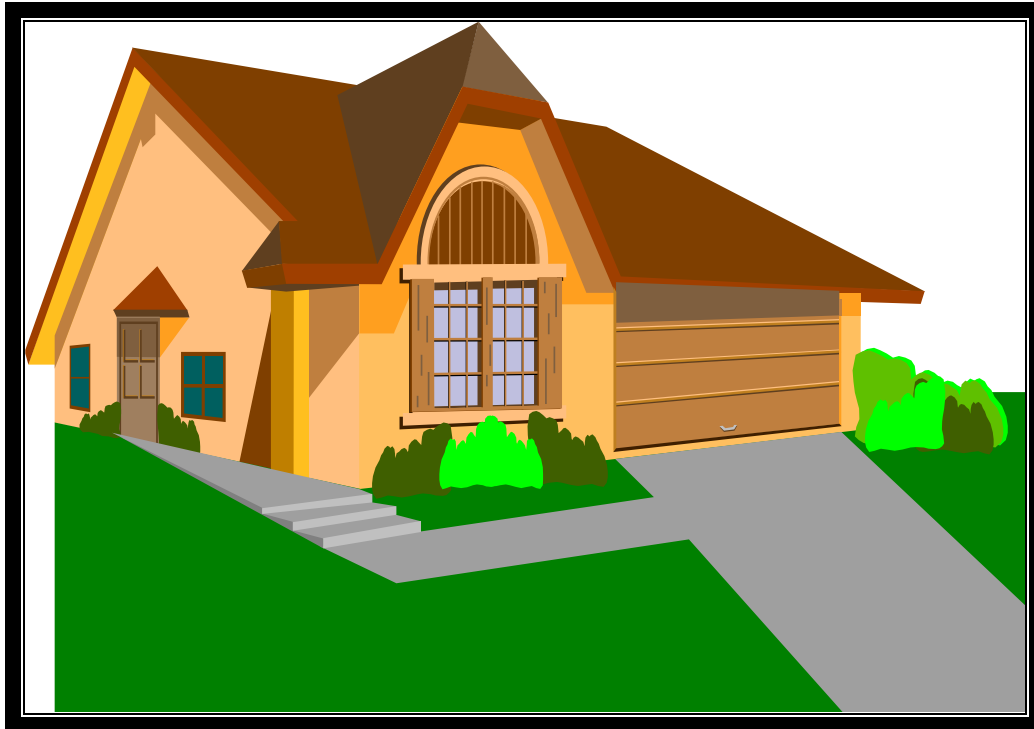
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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2021 RESIDENTIAL DECISIONS



PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
(35 ILCS 200/16-190(a), Illinois Compiled Statutes)
Official Rules - Section 1910.76
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APPELLANT:	728 N. Ada Condo Association
DOCKET NUMBER:	17-30187.001-R-1 thru 17-30187.003-R-1
DATE DECIDED:	April 2021
COUNTY:	Cook
RESULT:	No Change

The subject property consists of three condominium units within a seven-year-old, multi-story, three-unit condominium building. The property is located in Chicago, West Township, Cook County and is classified as a class 2-99 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on overvaluation. In support of the overvaluation argument, the appellant submitted evidence of the sale of two units located within the subject's building. These units sold from December 2015 to April 2017 for a total sale amount of \$1,239,500. The appellant argues that the total should be reduced by 10% to account for personal property for an adjusted value of \$1,115,550. The appellant then applies the percentage of ownership of the units sold of 83.33% to arrive at a value for the building of \$1,338,713. The appellant then applies a median level of assessment from a document that lists 2015 ratios.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the subject's assessment of \$129,851. The subject's assessment reflects a market value for all the appealed units of \$1,298,510 when using the level of assessment for class 2 property of 10% under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment the board of review submitted information on one sale of a unit within the subject's building for a total of \$729,500. The board of review then applies an 11% factor for an adjusted sale price of \$649,255. The board of review then applies the percentage of ownership of the units sold of 50% to arrive at a value for the building of \$1,298,510. The board of review's comparable was also included in the appellant's evidence.

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 best evidence of market value to be the appellant's comparables. These units sold from December 2015 to April 2017 for a total value of \$1,239,500. However, the Board gives no weight to the appellant's or the board of review's adjustment for personal property as there is no evidence of this in the record. In applying the percentage of ownership of the units sold to arrive at a value for the building of \$1,487,460. The Board further finds the appellant submitted incorrect and unsupported median level of assessment evidence and gives this evidence no weight.

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In applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%, the Board finds the appellant failed to show by a preponderance of the evidence that the subject property was overvalued, and a reduction is not justified.

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APPELLANT:	1415 Lunt Condo Assoc.
DOCKET NUMBER:	16-42843.001-R-1 thru 16-42843.019-R-1
DATE DECIDED:	March 2021
COUNTY:	Cook
RESULT:	Reduction

The subject consists of 18 residential condominium units located in a 52-unit building. The building is 48 years old and is situated on an 18,777 square foot site. The property is located in Chicago, Rogers Park Township, Cook County. The subject is classified as a class 2-99 property under the Cook County Real Property Assessment Classification Ordinance. No evidence was submitted as to whether any of the subject units are owner-occupied.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant argued that 16 units in the subject's building, or 30.68% of ownership, sold from 2011 to 2015 for an aggregate price of \$1,134,585. Eight of the sales occurred in 2011 or 2012. After a deduction for personal property, the aggregate sale price was then divided by the percentage of interest of the units sold to arrive at a total market value for the entire building of \$3,328,313. The appellant requested that the subject's assessment be reduced to 9.00% of this market value for the 44.67% of the units participating in this appeal, yielding a requested assessed value of \$134,513.

The appellant also included a copy of the prior year's Property Tax Appeal Board decision identified by docket #15-24441 and requested that any reduction be carried forward to the 2016 tax year.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject units of \$183,484. The subject's assessment reflects a market value of \$1,834,840 when applying the 2016 statutory level of assessment for class 2 property under the Cook County Real Property Assessment Classification ordinance of 10.00%.

In support of the subject's assessment, the board of review submitted a memorandum, which shows that four units in the subject's building, or 8.33% of ownership, sold from July 2013 to February 2015 for an aggregate price of \$323,585. An allocation of 7.00% for personal property was subtracted from the sales prices, and then divided by the percentage of interest of the units sold to arrive at a total market value for the building of \$3,612,689. All of the board of review's sales were identical to those submitted by the appellant.

Conclusion of Law

Initially, the Board notes that the appellant failed to provide any evidence of owner-occupancy or continued ownership, therefore, the 2015 decision issued by the Property Tax Appeal Board will not be carried forward for the 2016 tax year.

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

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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 that the best evidence of the subject's market value to be the appellant's eight comparables that sold on January 1, 2013 and thereafter, which includes all of the board of review's comparables. However, the Board does not find evidence to support a reduction in the market value of the residential units sold by any amount allocated for personal property.

Based on evidence submitted, the Board finds that the condominium building had a market value of \$3,755,130 for the 2016 assessment year. As 44.67% of the units are participating in this appeal, that indicates a market value for those units of \$1,677,416. Since the market value has been determined for the subject units, the assessment level of 10% as established by the Cook County Real Property Classification Ordinance shall apply to each of the units in the subject in proportion to their respective percentages of ownership in the property.

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APPELLANT:	Mary Barrett
DOCKET NUMBER:	18-04240.001-R-1
DATE DECIDED:	February 2021
COUNTY:	DuPage
RESULT:	Reduction

The subject property consists of a two-story townhome of frame and masonry exterior construction with approximately 2,583 square feet of living area. The dwelling was constructed in 2011. Features of the home include a partially finished basement, central air conditioning, a fireplace, and an attached two-car garage containing 420 square feet of building area.¹ The property has an approximately 4,466-square foot site and is located in Wheaton, Milton Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant completed Section IV – Recent Sale Data and reported that the subject property was purchased on May 23, 2017 from Jane Funk for a price of \$532,500. The appellant further reported that the parties to the transaction were not related, the property was sold through a realtor, and the property was advertised through the Multiple Listing Service (MLS) for a period of 5 days. The MLS data sheet supplied by the appellant also depicted that the subject property had an original asking price of \$545,000. In further support of the appeal, the appellant provided a copy of the Settlement Statement associated with the subject sale which reiterated the purchase price, date of sale, and depicted brokers' fees being distributed to two separate entities. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$184,300. The subject's assessment reflects a market value of \$553,786 or \$214.40 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a memorandum and data from the township assessor's office. The board of review and township assessor did not dispute that the appellant purchased the home in May 2017 in an arm's-length transaction and submitted the PTAX-203 Illinois Real Estate Transfer Declaration form associated with the sale of the subject. The assessing officials further contend that the subject's 2018 assessment was reduced to reflect the May 2017 purchase price of \$532,500 plus the application of the 2018 township equalization factor of 1.0383 or 3.83% to arrive at the current assessment of \$184,300 (rounded). Based on this evidence and argument, the assessing officials contend that the subject property has been assessed at 1/3 of market value plus the Milton Township 2018 equalization and therefore request confirmation.

¹ Some descriptive information of the subject was drawn from the Multiple Listing Service (MLS) data sheet provided by the appellant.

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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 and only evidence of market value in the record to be the purchase of the subject property in May 2017 for a price of \$532,500. The appellant set forth evidence asserting the sale had the elements of an arm's-length transaction and the assessing officials did not dispute that the sale was an arm's-length transaction. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold using a Realtor and that the property had been advertised on the open market through the Multiple Listing Service for a period of 5 days. The original asking price for the property was \$545,000 and, in further support of the transaction, the appellant submitted a copy of the Settlement Statement associated with the sale of the subject property which reiterated the purchase price, date of sale and depicted brokers' fees being distributed to two entities.

The Illinois Supreme Court has held that a contemporaneous sale between two parties dealing at arm's-length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). The Board finds the purchase price of \$532,500 is below the market value reflected by the assessment of \$553,786, land included.

The Board further finds that the board of review did not dispute that the May 2017 sale was an arm's-length transaction and determined the purchase price was sufficient to reduce the subject's assessment to reflect that transaction plus the application of the 2018 township equalization factor. However, the Property Tax Appeal Board finds the argument by the board of review that the subject's 2017 sale price should be increased by 3.83% due to the Milton Township equalization factor of 1.0383 is unsupported and unpersuasive.

First, the Board finds that the DuPage County Board of Review did not present any substantive evidence of subsequent events that occurred which would cause a change in the subject's market value from its May 2017 purchase price as of January 1, 2018 by 3.83%. Second, the board of review did not present any evidence of market value, such as comparable sales, in support of the subject's assessment in order to establish that the sale price was no longer the best evidence of the subject's market value.

The Board further finds that the board of review did not dispute that the May 2017 sale was an arm's-length transaction and determined the purchase price was sufficient to reduce the subject's assessment to reflect that transaction plus the application of the 2018 township equalization factor. However, the Property Tax Appeal Board finds the argument by the board of review that the subject's 2017 sale price should be increased by 3.83% due to the Milton Township equalization factor of 1.0383 is unsupported and unpersuasive.

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The Board takes judicial notice of the purpose of equalization factors as set forth in the Illinois Department of Revenue publication, PTAX-1004, The Illinois Property Tax System, page 17, concerning how uniformity in assessments is achieved by applying equalization factors:

The assessment/sales ratio study shows **whether or not assessments within a given area actually average 33 1/3 percent of market value**. If the results of the study indicate that assessments are either higher or lower than 33 1/3 percent, a blanket percentage increase or decrease, called an "equalization factor" or "multiplier" is calculated and applied to all non-farm property to bring the level of assessment to 33 1/3 percent. The application of this uniform percentage increase or decrease to assessed values is called "equalization." [Emphasis added.]

Here, where the subject's sale occurred less than a year from the assessment date at issue of January 1, 2018 and in the absence of other market value evidence suggesting that the sale price was no longer reflective of market value, based on this record, the Property Tax Appeal Board finds that the subject's 2018 assessment is not reflective of market value. In conclusion, as the appellant has established that the subject property is overvalued based upon its assessment, a reduction in the subject's assessment commensurate with the appellant's request is warranted.

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APPELLANT:	Chicago Housing Investment Properties
DOCKET NUMBER:	17-25073.001-R-1
DATE DECIDED:	July 2021
COUNTY:	Cook
RESULT:	Reduction

As of January 1, 2017, the subject property was improved with a two-story dwelling of masonry exterior construction with 2,727 square feet of living area which was undergoing renovation work. The dwelling is approximately 93 years old. Features of the home include a basement. The property has a 3,100 square foot site and is located in Chicago, Lake View Township, Cook County. The subject is classified as a class 2-06 property under the Cook County Real Property Assessment Classification Ordinance and was reported to be under construction as of January 1, 2017.

The appellant's appeal is based on a contention of law. The appellant contends the subject improvements were uninhabitable on January 1, 2017 and pursuant to Section 9-160 and 9-180 the improvement assessment should be reduced on a pro-rated basis. In support of this argument the appellant submitted a building permit, architectural plans, a Vacancy/Occupancy Affidavit, property record card, photographs, inspection history for the subject property and a written brief.

The brief argues that on October 23, 2014, the appellant received a building permit from the City of Chicago for "Interior remodeling, down conversion from 2 units to single family residence. Two story rear addition and new 2 car frame garage as per plans" and that as of January 1, 2017 the subject property has been 100% vacant and uninhabitable. The appellant submitted detailed architectural plans for the property's demolition, renovation, and additions as proposed.

The appellant submitted photographs of the subject property which depict a partially completed interior renovation. In January 2018 the appellant filed a Cook County Board of Review Vacancy/Occupancy Affidavit that indicated the property had been vacant for 12 months in 2017 and commented that "The property is uninhabitable as it is undergoing a total renovation."

The subject's property record card indicates that the subject improvement was assessed at 100%. The appellant's attorney argued that although the property record card indicates that the Assessor's Office was aware of the altering of and addition to the subject improvement, the final pass face sheet does not reflect these facts and that pursuant to 35 ILCS 200/9-180 properties which are uninhabitable or otherwise unfit for occupancy are entitled to a prorated occupancy factor. Based on this evidence, the appellant requested the subject's assessment be reduced to \$20,511 reflecting a 10% occupancy factor of the subject's improvement assessment prior to the board of review's reduction.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$68,118. The subject's assessment reflects a market value of \$681,180 or \$249.79 per square foot of living area, including land, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification

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Ordinance of 10%. The subject has an improvement assessment of \$53,858 or \$19.75 per square foot of living area.

In support of its contention of the correct assessment the board of review submitted information on four comparable properties with equity data and one comparable having sale data. The comparables are located in the same assessment neighborhood code as the subject and either 0.25 of a mile from the subject or within the subject's "subarea." The comparables have varying degrees of similarity to the subject and have improvement assessments that range from \$51,726 to \$81,556 or from \$20.00 to \$31.28 per square foot of living area. Comparable #4 sold in April 2016 for \$1,185,000 or \$454.55 per square foot of living area, land included. Based on this evidence, the board of review requested the subject's assessment be confirmed.

In rebuttal, the appellant's attorney argued that the appeal was based solely on a contention of law and did not opine as to the assessment equity of the subject property. The attorney noted that the board of review failed to address the appellant's contention of law basis of the appeal or any of the accompanying evidence. The attorney reiterated the position that the subject's improvement assessment should be pro-rated pursuant to 35 ILCS 200/9-160 and claimed that the board of review's comparable properties are habitable buildings unlike the subject, rendering these properties incomparable to the subject.

The attorney submitted nine new comparables properties to support their pro-rated assessment of homes undergoing renovation. In addition, the appellant submitted Certificate of Error letters for the 2015 and 2016 tax years for the subject property.

Conclusion of Law

As an initial matter, the appellant provided nine new comparable properties in the subject's market area not previously submitted by the appellant to demonstrate the pro-rated assessment level for properties under renovation. Section 1910.66(c) of the rules of the Property Tax Appeal Board provides:

Rebuttal evidence shall not consist of new evidence such as an appraisal or newly discovered comparable properties. A party to the appeal shall be precluded from submitting its own case in chief in the guise of rebuttal evidence. (86 Ill.Admin.Code 1910.66(c))

Pursuant to this rule, the Property Tax Appeal Board finds that the additional new comparables submitted by the appellant are improper rebuttal evidence and will not be considered by the Board in its determination of the correct assessment.

The appellant raises a contention of law with respect to the application of Sections 9-160 and 9-180 of the Property Tax Code to the improvement assessment based on permitted renovations and additions to the subject property. Where a contention of law is made, the standard of proof is the preponderance of the evidence. (See 5 ILCS 100/10-15). The Board finds the appellant met this burden of proof and a reduction in the subject's improvement assessment is justified.

Section 9-160 of the Property Tax Code (35 ILCS 200/9-160) provides in pertinent part:

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Valuation in years other than general assessment years...The assessment shall also include or exclude, on a proportionate basis in accordance with the provisions of Section 9-180, ...all improvements which were destroyed or removed.

Furthermore, Section 9-180 of the Property Tax Code (35 ILCS 200/9-180) provides in part:

Pro-rata valuations: improvements or removal of improvements...

When, during the previous calendar year, any buildings, structures or other improvements on the property were destroyed and rendered uninhabitable or otherwise unfit for occupancy or for customary use by accidental means (excluding destruction resulting from the willful misconduct of the owner of such property), the owner of the property on January 1 shall be entitled, on a proportionate basis, to a diminution of assessed valuation for such period during which the improvements were uninhabitable or unfit for occupancy or for customary use...

The Board finds that Section 9-160 of the Property Tax Code provides for a proportionate assessment when an improvement is either destroyed or removed. Section 9-180 allows for uninhabitable property to receive a pro-rated assessment. The City of Chicago issued a permit to the appellant for the conversion of the subject property from a two unit to a single family dwelling including interior and exterior improvements to the subject property and the appellant submitted a Vacancy/Occupancy Affidavit dated January 2018 attesting to the subject's vacancy throughout calendar year 2017 and identifying the subject as uninhabitable due to ongoing renovation work.

The Board gave little weight to the board of review comparable properties as no descriptions were submitted with respect to their habitability as of January 1, 2017.

The Board finds the appellant demonstrated the subject property was uninhabitable on January 1, 2017, a fact that the board of review did not refute. The appellant's 2015 and 2016 certificates of error had recommended corrected assessed values reflecting approximately 30% of the original assessed values. Based on the 2015 and 2016 board of review methodology, this suggests a 70% reduction in the subject's total assessment or \$47,683 ($0.70 \times \$68,118 = \$47,683$). The Board finds the subject has a total assessment of \$68,118 prior to proration. After proration, the subject has a total assessment of \$20,435 and an improvement assessment of \$6,175.

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APPELLANT:	Saad Farooqui
DOCKET NUMBER:	18-04207.001-R-1
DATE DECIDED:	January 2021
COUNTY:	DuPage
RESULT:	Reduction

The subject property consists of a 2-story dwelling of vinyl siding and brick exterior construction with 2,864 square feet of living area. The dwelling was constructed in 2007. Features of the home include a full unfinished basement, central air conditioning, and an attached 2-car garage.¹ The property has a 6,966-square foot site and is located in Lombard, York Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant completed Section IV – Recent Sale Data and reported that the subject property was purchased on May 15, 2018 from Gregory Karawan for a price of \$445,000. The appellant further reported that the parties to the transaction were not related, the property was sold through a realtor, and the property was advertised through the Multiple Listing Service (MLS). MLS data sheet depicted that the subject property had been on the market for 9 days with an original asking price of \$465,000. In further support of the appeal, the appellant provided a copy of the settlement statement associated with the sale of the subject which reiterated the purchase price, date of sale, and depicted broker's fees being distributed to two entities. Based on this evidence, the appellant requested a reduction in the subject's assessment to approximately reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$155,970. The subject's assessment reflects a market value of \$468,660 or \$163.64 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review through the York Township Assessor's office submitted a "SALE PRO-RATION WORKSHEET" depicting that the subject's 2018 tax year assessment was based on a prorated calculation of the sale price using the May 15, 2018 sale date to arrive at a prorated total assessment of \$155,970. The township deputy assessor stated that for the 2019 tax year, the assessment will reflect the sale price of \$445,000. As part of its submission, the board of review provided a copy of the Illinois Real Estate Transfer Declaration (PTAX-203) form associated with the subject's sale, along with a copy of the subject's property record card.

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

¹ Some descriptive information of the subject was drawn from the Multiple Listing Service (MLS) data sheet provided by the appellant and/or the subject's property record card provided by the board of review.

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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 in the record to be the purchase of the subject property in May 2018 for a price of \$445,000. The appellant provided evidence demonstrating the sale had the elements of an arm's-length transaction. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold using a Realtor and that the property had been advertised on the open market through the Multiple Listing Service. The listing sheet provided by the appellant disclosed the subject property had been on the market for 9 days. In further support of the transaction, the appellant submitted a copy of the settlement statement. The Board finds the purchase price of \$445,000 is below the market value reflected by the assessment of \$468,660. The Board finds the board of review did not present any substantive evidence to challenge the arm's-length nature of the subject's sale transaction. In addition, the assessing officials did not refute the contention that the purchase price was reflective of market value.

The Property Tax Appeal Board finds that the assessor's prorated calculation of the subject's 2018 tax year assessment is unsupported and unpersuasive. The Property Tax Appeal Board finds assessment officials are statutorily bound to estimate a given property's fair cash value as near as practicable as of the date of January 1 of a given assessment year for purposes of taxation. (35 ILCS 200/9-155). The Board finds January 1 is the statutorily defined date to determine the correct assessment for any real property in Illinois. Illinois courts recognized that assessing officials are not barred, as a matter of law, from considering events which occurred after the lien date in assessing properties. Subsequent events that the assessing officials may consider in any individual case will depend on the nature of the event and the weight to be given the event will depend upon its reliability intending to show value as of January 1. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369, 375 (1st Dist. 1983). However, the Board finds that in this appeal, the board of review did not present any evidence of subsequent events that occurred which would cause a change in the subject's market value from its sale price. Additionally, the board of review did not present any evidence of market value such as comparable sales to support the subject's prorated assessment.

The Illinois Supreme Court has held that a contemporaneous sale between two parties dealing at arm's-length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). Furthermore, the sale of a property during the tax year in question is a relevant factor in considering the validity of the assessment. See Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369, 375 (1st Dist. 1983).

Based on this record, the Board finds the subject's assessment is not reflective of market value and a reduction in the subject's assessment is justified commensurate with the appellant's request.

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APPELLANT:	Phillip Hartz
DOCKET NUMBER:	18-03076.001-R-1
DATE DECIDED:	March 2021
COUNTY:	Will
RESULT:	Reduction

The subject property consists of a one-story dwelling with 2,521 square feet of living area.¹ The property has an approximately 29,078 square foot site and is located in Homer Glen, Homer Township, Will County.

The appellant's counsel filed the appeal based on a contention of law. In support of the contention of law, counsel for the appellant submitted a brief arguing the subject property is used as a model home. Counsel asserted that Section 10-25 of the Property Tax Code provided in part, “if the construction of a single family dwelling is completed after December 29, 1986 or the construction of a single family townhome or condominium unit is completed after the effective date of this amendatory Act of 1994, and that dwelling, townhome, or condominium unit is not occupied as a dwelling but is used as a display or demonstration model home, townhome or condominium unit for prospective buyers of the dwelling or of similar homes, townhomes, or condominium units to be built on other property, the assessed value of the property on which the dwelling, townhome, or condominium was constructed shall be the same as the assessed value of the property prior to construction and prior to any change in zoning classification of the property prior to construction of the dwelling, townhome or condominium unit.” (35 ILCS 200/10-25) Counsel argued that based on the current assessed valuation, the assessor placed an assessment on the property of \$35,473, which is an increase from the 2017 assessment of \$34,480, the 2016 assessment of \$15,585 and the 2014 assessment of \$12,000. Counsel asserted that based on the property’s use as a model home, the property’s assessment should not be changed in accordance with Section 10-25 of the Property Tax Code (35 ILCS 200/10-25). Included with the submission, the appellant provided a copy of the final decision from the Will County Board of Review depicting the reason for change in assessment was based on “Model Home Exemption Granted.” Based on this evidence, the appellant requested the subject’s land assessment be reduced to \$12,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$35,473. In response to the appeal, the board of review submitted a letter prepared by the Homer Township Assessor. The assessor disclosed that the appellant purchased the subject property and 12 other vacant lots in February 2013 for a price of \$468,000. The assessor provided a copy of the PTAX-203 Illinois Real Estate Transfer Declaration associated with the purchase of the subject property and the 12 additional parcels in February 2013. The transfer declaration disclosed the subject property, and the 12 additional parcels were sold as vacant lots which had been advertised for sale. The assessor asserted that subject’s land assessment was lowered in 2013 to \$12,000 due to its recent sale. The assessor disclosed that for the 2015

¹ The Board finds the only evidence of the description of the subject property was provided by the board of review, though the description did not include the age of the dwelling and/or any characteristics of the dwelling other than its design and size.

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Quadrennial year, the appellant's subdivision was reassessed, and the subject's land value was increased to keep equity within the subdivision. The assessor reported the subject's land was adjusted again in 2015, based on its recent sale, to avoid an appeal with the board of review. The assessor disclosed a 2016 increase in assessment was due to the application of the township multiplier of 1.0390; in 2017, the appellant's subdivision was reassessed for land values only and raised back up, along with the application of the township multiplier of 1.0345; and in 2018 the only change in assessed value was due to the application of the township multiplier of 1.0288. The assessor provided a copy of a multi-year inquiry document of the subject property from the Will County Real Estate System web page. The document depicts the subject's 2014, 2015, 2016, 2017 and 2018 land assessments of \$12,000, \$15,000, \$15,585, \$34,480, and \$35,473, respectively. The assessor argued that the appellant is requesting a reduction based on the sales price from 2013, but the appellant is no longer entitled to that assessed value since the sale is no longer recent. Based on this evidence, the board of review requested no change in the subject's assessment.

Conclusion of Law

The appellant's counsel raised a contention of law arguing that the subject's assessment should be reduced pursuant to section 10-25 of the Property Tax Code. When a contention of law is raised, unless otherwise provided by law or stated in the agency's rules, the standard of proof in any contested case shall be the preponderance of the evidence. (See 5 ILCS 100/10-15). The rules of the Property Tax Appeal Board do not provide for the standard of proof when a contention of law is raised; therefore, the standard of proof is a preponderance of the evidence. The Board finds the evidence in the record supports a reduction to the subject's assessment on this basis.

The record disclosed that the subject property was granted a "Model Home Exemption" by the Will County Board of Review for the 2018 tax year. The Board finds section 10-25 of the Property Tax Code (35 ILCS 200/10-25) provides in relevant part:

If the construction of a single family dwelling is completed after December 29, 1986 . . . , and that dwelling, townhome, or condominium unit is not occupied as a dwelling but is used as a display or demonstration model home, townhome or condominium unit for prospective buyers of the dwelling or of similar homes, townhomes, or condominium units to be built on other property, **the assessed value of the property on which the dwelling, townhome, or condominium was constructed shall be the same as the assessed value of the property prior to construction** and prior to any change in the zoning classification of the property prior to construction of the dwelling, townhome, or condominium unit. . . .
[Emphasis added.]

The Board finds the subject property was purchased as vacant land in February 2013, along with 12 additional vacant lots, for a price of \$468,000. The Board finds the record disclosed that the subject's land assessment was lowered to \$12,000 based on the 2013 purchase price. The Board further finds that there is no dispute between the parties that would negate the applicability of the Model Home Exemption. The dispute between the parties before the Property Tax Appeal Board is that the subject's land assessment should be reduced to reflect the assessment of the vacant land based on its purchase price prior to the construction of the dwelling. The Board finds that neither party provided evidence depicting the date the subject dwelling was constructed, however,

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the Property Tax Appeal Board takes notice, using the Homer Township Assessor's website, the dwelling was built in 2014.² The record also disclosed the subject property had a land assessment in 2013 of \$12,000 and a land assessment in 2014 of \$12,000. Therefore, based on the language of Section 10-25, the assessed value of the property shall be the same as the assessment of the property prior to construction, or in this case \$12,000. Therefore, the Property Tax Appeal Board finds a reduction in the subject's land assessment commensurate with the appellant's request is warranted.

² See <http://www.homerassessor.org/media/5e34907a5c490.pdf> (1/31/2020, 2:18:42 PM, p. 632) (visited February 10, 2021)

2021 SYNOPSIS – RESIDENTIAL CHAPTER

APPELLANT:	Hawk Properties, Inc.
DOCKET NUMBER:	19-02061.001-R-1
DATE DECIDED:	November 2021
COUNTY:	St. Clair
RESULT:	Reduction

The subject property consists of a one-story single-family dwelling of masonry exterior construction with 952 square feet of living area.¹ The dwelling was constructed in 1951. Features of the home include a concrete slab foundation, central air conditioning and an attached one-car garage. The property has a 9,272 square foot site and is located in Cahokia, Centreville Township, St. Clair County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted information on three comparable sales located in Cahokia and from 1.3 to 4.2-miles from the subject. Listing sheets and property record cards for the properties were also submitted. The three comparable parcels range in size from 6,316 to 10,019 square feet of land area and have each been improved with a one-story frame dwelling built between 1951 and 1964. The comparables range in size from 888 to 1,018 square feet of living area. Each dwelling has central air conditioning and two of the comparables have a 240 square foot garage and a 264 square foot carport, respectively. The comparables sold in July and August 2019 for prices of \$12,750 to \$16,900 or from \$14.36 to \$16.60 per square foot of living area, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total equalized assessment for the subject of \$7,885. The subject's assessment reflects a market value of \$23,594 or \$24.78 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for St. Clair County of 33.42% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review noted that the attached "bond for Deed Contract is much higher" than the subject's assessment. A copy of the four-page recorded Agreement for Deed was also submitted depicting payment over time of \$42,900. The terms of the Agreement indicate it was entered into on December 31, 2018 between Freddie Allen and the appellant, Hawk Properties, Inc. After an earnest money payment of \$1,200, Allen is to pay \$600 per month on the 28th of each month from January 2018 to November 30, 2019, at which time the remainder is due in full. Based on this evidence, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

In written rebuttal, counsel for the appellant argued that an Agreement for Deed is not considered an arm's-length transaction and should not be used to establish property value, although no citation was provided for this proposition. Besides reiterating that the basis of this appeal by the appellant

¹ All descriptive data is drawn from the appellant's evidence; the board of review failed to provide a copy of the subject's property record card as required. (86 Ill.Admin.Code §1910.40(a)).

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was comparable sales, counsel further summarily asserted that if the property were to be sold on the open market "we would only receive approximately 50% of the price owed on the contract."

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 record contains three comparable sales submitted by the appellant in support of a reduction request for the subject property; the board of review solely relied upon a recorded Agreement for Deed as purportedly establishing the subject's estimated market value greater than reflected by its assessment. The Board has given little weight to the board of review's reliance upon the Agreement for Deed documentation submitted herein.

The initial question raised by the board of review is whether the Agreement for Deed documentation is equivalent to an arm's-length sale transaction of the subject property for purposes of ad valorem assessment. American Jurisprudence Trials, Liability of Agreement for Deed Principal for Failure to Honor Deed Obligations (67 Am.Jur. Trials 213, 1998 (April 2018 update)), at Section 1, outlined the following general information concerning an agreement for deed or 'contract for deed' transaction:

An agreement (or contract)-for-deed transaction is a contract for the sale of land in which the subject property is used to secure the purchasing party's payment. This type of contract or agreement is essentially a security instrument that takes the place of the more traditional purchase-money mortgage. The subject of the transaction is the real property (including appurtenances), which is deemed to be owned by the vendee (buyer, or mortgagor), although the legal title in the land is usually retained by the seller (mortgagee, or vendor) as security. In theory as well as substance, the buyer is the equitable owner of the property, and the seller, through legal title retained in the property, is in the position of a mortgagee.

Because of the nature and scope of such contracts, and because the transaction itself may be properly termed a less common method of effecting a time-payment sale of land, an agreement-for-deed (whether called a contract for deed, installment sales contract, land contract, retained title, or conditional-sale contract) is considered to be an executory contract for the sale of land, wherein the buyer agrees and is obligated to pay the purchase price (usually in a series of payments over an extended period of time) until the debt has been satisfied in full. As in a mortgagor-mortgagee transaction, the buyer under an agreement-for-deed is usually accorded title to and possession of the land; and the seller agrees that when the purchase price has been paid in full, the seller will convey the full legal interest to the buyer, usually via warranty deed.

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This treatise further characterized the agreement for deed as a transaction for the sale of land in which the buyer agrees to pay the purchase price, usually in a series of payments over a relatively long period of time and the seller agrees to allow the buyer quiet enjoyment of the land in the intervening days between the agreement's consummation and the final payment date. (Id. at Section 3)

Based on the foregoing guidance of an Agreement for Deed along with the pertinent terms of the agreement that are set forth in this decision, the Property Tax Appeal Board finds that the Agreement for Deed is a contract for the sale of the subject parcel with a payment schedule to occur over a period of time as specified in the agreement. However, the Property Tax Appeal Board gives no weight to the argument of the St. Clair County Board of Review that the document was reflective of an arm's-length sale transaction since there is nothing to indicate whether the subject property actually sold for the contracted price. This arrangement via the Agreement for Deed is more in the nature of a financial arrangement or financing tool rather than a typical transaction involving a cash purchase or a mortgage. In other words, should Allen fail to follow through with the Agreement for Deed, he will not be the property owner and will have to relinquish his quiet enjoyment of the subject property and all funds paid to that time at which point the appellant, Hawk Properties, Inc. will again have the ability to sell the subject property. Thus, given these unknowns, the Property Tax Appeal Board finds in this matter that a contract for deed executed years prior to the valuation date at issue may not be an accurate reflection of market value. In addition, the St. Clair County Board of Review chose not to submit any sale comparables to show that the "sale" of the subject via the Agreement for Deed executed in December 2018 for \$42,900 was at its fair cash value or even that the current assessment of the property reflects its market value based upon comparables.

Therefore, on this record, the Board finds the best and only competent evidence of market value consists of the appellant's comparable sales which are similar to the subject in design, exterior construction, age, size, and some features. The Board also recognizes the necessity for an upward adjustment to appellant's comparable sale #1 due to its lack of a garage which is a feature of the subject property. These three most similar comparables sold in July and August 2019 for prices of \$12,750 to \$16,900 or from \$14.36 to \$16.60 per square foot of living area, including land. The subject's assessment reflects a market value of \$23,594 or \$24.78 per square foot of living area, including land, which is above the best and only comparable sales data in this record. Based on the comparable sales evidence in this matter, the Property Tax Appeal Board finds a reduction in the subject's assessment commensurate with the appellant's total request is justified.

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APPELLANT:	Daniel Imse
DOCKET NUMBER:	18-00938.001-R-1
DATE DECIDED:	January 2021
COUNTY:	Kane
RESULT:	Reduction

The subject property consists of a one-story dwelling of frame exterior construction with 1,824 square feet of living area. The dwelling was constructed in 1959. Features of the home include an unfinished basement, central air conditioning, a fireplace, and a 2.5-car garage. The property has an approximately 20,750-square foot site and is located in Burlington, Burlington Township, Kane County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant completed Section IV – Recent Sale Data and reported that the subject property was purchased on January 5, 2017 for a price of \$108,407. The appellant further reported that the parties to the transaction were not related, the property was sold through a realtor and the property was advertised through the Multiple Listing Service (MLS). A copy of the MLS data sheet depicted that the subject property had been on the market for 7 days with an original asking price of \$119,000. In further support of the appeal, the appellant provided a copy of the settlement statement disclosing the seller was “Stout Family Trust dated May 18, 2015” and reiterated the purchase price, date of sale, and depicting that broker's fees were distributed to two entities. The settlement statement also disclosed that funds in the amount of \$19,000 were held back as “Undisbursed Loan Proceeds.” The appellant also submitted a copy of the real estate purchase and sale contract depicting that the property was purchased “as is.” Finally, the appellant submitted a copy of the Illinois Real Estate Transfer Declaration (PTAX-203) form associated with this sale which reiterated the purchase price, that it was advertised for sale, and that the intended use was as buyer’s principal residence. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$53,328. The subject's assessment reflects a market value of \$159,904 or \$87.67 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for Kane County of 33.35% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review, through the Burlington Township Assessor, argued that the subject property’s MLS data sheet depicted “[p]erfect opportunity for a handyman to update.” The board of review argued that the home was occupied for more than one year, after which the board of review sent a letter dated September 7, 2018 to the taxpayer’s attorney requesting to inspect the property. The board of review contended that after receiving no response to the first letter, it sent another letter to the taxpayer’s attorney dated April 12, 2019 in anticipation of an appeal before the Property Tax Appeal Board to which, again, no response was received. The board of review submission includes copies of the letters to the taxpayer’s attorney, along with the MLS data sheet and the subject’s property record card.

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In support of its contention of the correct assessment, the board of review also submitted two grid analyses containing four comparable sales and six equity comparables, respectively. The comparable sales were located from .33 of a mile to 1.16 miles from the subject. The comparables have sites that range in size from approximately .2 of an acre to 4.1 acres. The site size of comparable sale #3 was not disclosed. The comparable sales are improved with one-story dwellings of frame or frame and masonry exterior construction that range in size from 936 to 1,696 square feet of living area. The dwellings were constructed from 1956 to 1965. The comparable sales each feature a basement; two comparables each have either a wood-burning stove or two fireplaces; and each comparable has an attached or detached garage ranging in size from 352 to 1,096 square feet of building area. The properties sold from August 2016 to May 2018 for prices ranging from \$165,000 to \$320,000 or from \$158.88 to \$190.17 per square foot of living area, land included. The six equity comparables had improvement assessments ranging from \$40,716 to \$66,413 or from \$24.59 to \$40.40 per square foot of living area. Based on this evidence and argument, the board of review requested the subject's assessment be confirmed.

In rebuttal, counsel for the appellant submitted a brief, first of all, waiving the appellant's request for a hearing and requesting that the Property Tax Appeal Board make a decision in this appeal based on the evidence submitted. In the brief, the appellant's counsel then argued that the sale of the subject property had all the elements of an arm's-length transaction which was undisputed by the board of review. Counsel next, argued that the board of review comparable sales were dissimilar to the subject in many specified aspects and that, if considered at all by the Property Tax Appeal Board, they would require many adjustments to account for the differences from the subject property. With regard to the board of review's submission of equity comparables, appellant's counsel argued that the appellant's claim was overvaluation and not based on inequity in assessment and, therefore, the equity evidence should be disregarded. Finally, counsel argued that the sale of the subject property on January 5, 2017 for a price of \$108,407 is the best evidence of the value of the subject property as of January 1, 2018.

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.

Initially, The Property Tax Appeal Board gives no weight or credence to the assertion by the board of review that it was denied an inspection of the subject dwelling. Section 1910.94 of the rules of the Property Tax Appeal Board states:

Inspection of Subject Property – Effect of Denial by Taxpayer or Property Owner

- a) No taxpayer or property owner shall present for consideration, nor shall the Property Tax Appeal Board accept for consideration, any testimony, objection, motion, appraisal critique or other evidentiary material that is

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offered to refute, discredit or disprove evidence offered by an opposing party regarding the description, physical characteristics or condition of the subject property when the taxpayer or property owner denied a request made in writing by the board of review or a taxing body, during the time when the Board was accepting documentary evidence, to physically inspect and examine the property for valuation purposes.

- b) **Any motion made to invoke this Section** shall incorporate a statement detailing the consultation and failed reasonable attempts to resolve differences over issues involving inspection with the taxpayer or property owner. [Emphasis added]

86 Ill.Admin.Code §1910.94. The Board finds that although the township assessor requested and was denied the opportunity to inspect the subject property, the board of review did not avail itself of the proper remedy provided under 86 Ill.Admin.Code §1910.94 by filing a timely and appropriate motion with Property Tax Appeal Board pursuant to Section 1910.94 incorporating a statement detailing the failed board of review's reasonable attempts made involving inspection with the taxpayer's counsel. By a letter dated July 10, 2019, the Property Tax Appeal Board granted the board of review a final 60-day extension to file responsive documents to the appellant's claim. By a letter dated October 3, 2019, the Property Tax Appeal Board notified the parties that the filing period for submission of evidence is now closed. While the board of review submitted timely evidence in support of the assessment, it did not file a motion before the Property Tax Appeal Board requesting an inspection of the subject property during the time when the Board was accepting documentary evidence.

Additionally, the Property Tax Appeal Board gives no weight to the equity comparables submitted by the board of review as they are non-responsive to the taxpayer's appeal which is based on market value of the subject property.

The Board finds the best evidence of market value in the record to be the purchase of the subject property in January 2017 for a price of \$108,407. The appellant provided evidence demonstrating the sale had the elements of an arm's-length transaction. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold using a Realtor, and that the property had been advertised on the open market through the Multiple Listing Service. The listing sheet provided by the appellant disclosed the subject property had been on the market for 7 days. In further support of the transaction, the appellant submitted copies of the settlement statement and the Illinois Real Estate Transfer Declaration (PTAX-203) form associated with the sale. The Board finds the purchase price is below the market value reflected by the assessment of \$159,904. The Board finds the board of review did not present any evidence to challenge the arm's-length nature of the subject's sale transaction. In addition, the assessing officials did not refute the contention that the purchase price was reflective of market value. The Board finds the evidence disclosed via the MLS is that the subject was in need of remodeling, that it was sold "as is" and the settlement statement depicts that funds were held back by the lender presumably for future improvements to the subject which all call into question the condition of the property at the time of purchase. A contemporaneous sale between two parties dealing at arm's-length is not only relevant to the question of fair cash value

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but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967).

The Board gave less weight to the comparable sales submitted by the board of review as two of the four sales occurred in 2016, which are dated and less likely to be reflective of the subject's market value as of the January 1, 2018 assessment date. Additionally, the remaining two comparable sales have significantly smaller dwellings sizes relative to the subject, and also lack central air-conditioning which is a feature of the subject dwelling.

Based on this record, the Board finds the subject's assessment is not reflective of market value and a reduction in the subject's assessment is justified.

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APPELLANT:	Myron & Joyce Jeffries
DOCKET NUMBER:	18-03806.001-R-1
DATE DECIDED:	March 2021
COUNTY:	Kendall
RESULT:	No Change

The subject property consists of a 2-story dwelling of frame exterior construction with 3,618 square feet of living area. The dwelling was constructed in 2001. Features of the home include an unfinished basement, central air conditioning, a fireplace, an 864 square foot attached garage, a 1,320 square foot detached garage and an inground swimming pool. The property has a 45,015 square foot site and is located in Plano, Little Rock Township, Kendall County.¹

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted information on nine comparable sales located within 0.95 of a mile from the subject property. The comparables are improved with 2-story dwellings of frame, metal or vinyl siding exterior construction that range in size from 3,356 to 4,104 square feet of living area. The homes were built in 2005 or 2006. Each comparable has a basement, central air conditioning and a 600 square foot garage. No site sizes were provided for the appellants' comparables. The comparables sold from July 2017 to December 2018 for prices ranging from \$160,000 to \$254,000 or from \$38.99 to \$72.11 per square foot of living area, land included. Based on this evidence, the appellants requested the subject's assessment be reduced to \$88,673.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$150,805. The subject's assessment reflects a market value of \$450,433 or \$124.50 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for Kendall County of 33.48% as determined by the Illinois Department of Revenue.

In response to the appellants' comparables, the board of review asserted that all of the appellants' comparables are located in a subdivision encumbered by a Special Service Area (SSA).² In contrast, the subject property is located in a neighborhood that does not have an SSA.

In support of its contention of the correct assessment the board of review submitted a grid analysis, property sketches, photo, and aerial map of the subject and four comparable sales located within one-third of a mile from the subject property. The comparables have sites that range in size from 39,498 to 45,207 square feet of land area and are improved with a 1.5-story and three, 2-story dwellings of frame or brick and frame exterior construction that range in size from 3,251 to 3,512 square feet of living area. The homes were built from 2001 to 2006. Each comparable has a

¹ Details of the subject property were obtained from the board of review grid analysis and supported with a property sketch. The appellants' submission excluded site size for the subject and had a different garage size with no supporting documentation.

² A Special Service Area (SSA) is a taxing mechanism that can be used to fund a wide range of special or additional services and/or physical improvements in a defined geographic area within a municipality or jurisdiction.

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basement, one with finished area, central air conditioning, one fireplace and a garage ranging in size from 782 to 1,001 square feet of building area. The comparables sold from January 2017 to October 2018 for prices ranging from \$365,000 to \$415,000 or from \$107.00 to \$118.17 per square foot of living area, land included. Based on this evidence, the board of review requested the subject's assessment be confirmed.

In rebuttal, the appellants' counsel argued that their comparables' location in an SSA be disregarded because the SSA was established after the sale dates and thus had no impact on sale prices of the comparables. Appellants' counsel further indicated that board of review comparables #1, #2 and #3 were acceptable and supported a reduction based on sale price per square foot. And that board of review comparable #4 was not comparable to the subject due to its 1.5-story design. The appellants' counsel also submitted a rebuttal 2018 Property Tax Analysis reiterating the appellants' comparables #1, #3 and #4, along with board of review comparables #1 and #2 are the best comparables in the record.

In surrebuttal, the Kendall County Board of Review responded to the appellants' SSA comments stating that the Lakewood Springs subdivision has had a Special Service Tax since its inception in 2005 and provided tax bills for the subject and the appellants' comparables in support of this assertion. The board of review claimed no weight should be given to the "Property Tax Analysis" provided by the appellants as the document is not signed, there is no indication that the analysis was prepared by an appraiser and no explanation for calculations was provided in the document.

Conclusion of Law

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. 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 on this record that no reduction in the subject's assessment is warranted.

The parties submitted thirteen comparables for the Board's consideration. The Board gave less weight to the appellants' comparables due to their location in a subdivision with an SSA while the subject's subdivision lacks an SSA. Additionally, the appellants' comparables lacked site sizes which are relevant for the overvaluation argument. The Board gave less weight to the board of review's comparable #4 which differs from the subject in design and has a finished basement compared to the subject's unfinished basement.

The Board finds the best evidence of market value to be board of review comparables #1, #2 and #3 which are similar to the subject in terms of location, age and design but have varying degrees of similarity to the subject in terms of dwelling size and features. These comparables sold from January 2017 to October 2018 for prices ranging from \$365,000 to \$415,000 or from \$107.00 to \$118.17 per square foot of living area, including land. The subject's assessment reflects a market value of \$450,434 or \$124.50 per square foot of living area, including land, which falls above the range established by the best comparable sales in this record, and appears to be justified based on the subject's superior inground swimming pool and 1,320 square foot detached garage features.

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After considering adjustments to the comparables for differences with the subject, the Board finds the subject's assessment is supported, and a reduction is not justified.

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APPELLANT:	<u>Elyn Koentopp</u>
DOCKET NUMBER:	<u>17-40538.001-R-1</u>
DATE DECIDED:	<u>September 2021</u>
COUNTY:	<u>Cook</u>
RESULT:	<u>No Change</u>

The subject property consists of a 5,400 square foot parcel of land improved with a 107-year-old, two-story, frame, multi-family dwelling containing 1,260 square feet of building area. The property is located in Chicago, Jefferson Township, Cook County and is a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant asserts a contention of law and an inequity argument as the bases of the appeal. The subject property was the subject matter of an appeal before the Property Tax Appeal Board the prior year under Docket Number 16-43037.001-R-1. In that appeal the Property Tax Appeal Board issued a decision lowering the assessment of the subject property to \$24,896 based on equity comparables. The tax years 2016 and 2017 are within the same general assessment period. The appellant requested a reduction to the 2016 decision's assessed value of \$24,896.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment of \$24,896 with an improvement assessment of \$18,416 or \$14.62 per square foot of building area. These notes on appeal agree with the appellant's request and disclose the statement "Rollover from 2015 PTAB AV \$24,896."

Conclusion of Law

The appellant raised a contention of law argument as established by the Property Tax Appeal Board section 16-185 of the Property Tax Code. (35 ILCS 200/16-185). When a contention of law is raised the burden of proof is a preponderance of the evidence. (See 5 ILCS 100/10-15). The Board finds the appellant met this burden of proof, but that a reduction in the subject's assessment is not warranted.

The Property Tax Appeal Board finds that the assessment as established by the Board for the 2016 tax year should and has been carried forward to the tax year at issue subject only to equalization as provided by section 16-185 of the Property Tax Code.

Section 16-185 of the Property Tax Code (35 ILCS 200/16-185) states in part:

If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel on which a residence occupied by the owner is situated, such reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, unless that parcel is subsequently sold in an arm's-length transaction establishing a fair cash value for the parcel that is different from the fair cash value on which the

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Board's assessment is based, or unless the decision of the Property Tax Appeal Board is reversed or modified upon review.

The Property Tax Appeal Board issued a decision reducing the subject's assessment for the 2016 tax year. The board of review's assessment of the subject for the 2017 tax year mirrors this value. For these reasons the Property Tax Appeal Board finds that a reduction in the subject's assessment for 2017 is not warranted because it reflects the assessment as established in the Board's prior year's decision plus the application of an equalization factor, if any.

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APPELLANT:	Angelo Laskaris
DOCKET NUMBER:	16-26702.001-R-1
DATE DECIDED:	March 2021
COUNTY:	Cook
RESULT:	No Change

The subject property consists of two improvements on one parcel of land with a lot size of 3,125 square feet. Improvement #1 is a three-story, frame dwelling with 2,940 square feet of living area. It is 120 years old. Improvement #2 is a one-story, frame dwelling with 760 square feet of living area. It is 120 years old. The property is located in Lakeview Township, Cook County. Each improvement is classified as class 2 property under the Cook County Classification Ordinance.

The appellant contends assessment inequity as the basis of the appeal. In support of this argument the appellant submitted information on four equity comparables for Improvement #1. They ranged in improvement assessment per square foot value from \$12.84 to \$13.88. The appellant failed to provide comparables for Improvement #2.

The board of review submitted its "Board of Review-Notes on Appeal" disclosing the total assessment for the subject of \$60,917. The subject property has a total improvement assessment of \$45,292. Improvement #1 has an improvement assessment of \$34,104, or \$11.60 improvement assessment per square foot. The improvement assessment for Improvement #2 is \$11,188, or \$14.72 improvement assessment per square foot. The board of review submitted a total of four equity comparables for Improvement #1. They ranged in improvement assessment per square foot value from \$13.55 to \$17.30. The board of review submitted a total of four equity comparables for Improvement #2. They ranged in improvement assessment per square foot value from \$25.66 to \$39.56. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The taxpayer contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity, and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board finds the best evidence of assessment equity for Improvement #1 to be the appellant's comparables #1 through #4, as well as the board of review's comparable #2. These comparables had improvement assessments that ranged from \$12.84 to \$17.30 per square foot of living area. The subject's improvement assessment for Improvement #1 of \$11.60 per square foot of living area falls below the range established by the best comparables in this record.

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The Board finds the best evidence of assessment equity for Improvement #2 to be the board of review's comparables #1 through #4. These comparables had improvement assessments that ranged from \$25.66 to \$39.56 per square foot of living area. The subject's improvement assessment for Improvement #2 of \$14.72 per square foot of living area falls below the range established by the best comparables in this record.

Based on the evidence contained in this record, the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvements were inequitably assessed and a reduction in the subject's assessment is not justified.

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APPELLANT:	<u>Susan McGrath</u>
DOCKET NUMBER:	<u>17-34194.001-R-1</u>
DATE DECIDED:	<u>August 2021</u>
COUNTY:	<u>Cook</u>
RESULT:	<u>No Change</u>

The subject property consists of a two-story dwelling of masonry construction with 2,104 square feet of living area. The dwelling is 127 years old. The property has a 3,000 square foot site and is located in West Chicago Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted a settlement statement disclosing the subject property was purchased on July 27, 2016 for a price of \$523,750. The evidence indicated the property was not advertised for sale on the open market and was sold “by owner” for an unknown period of time. The appellant did not submit any sale comparables to demonstrate that the sale was at fair market value. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review-Notes on Appeal" disclosing the total assessment for the subject of \$57,269. The subject's assessment reflects a market value of \$572,690 or \$272.19 per square foot of living area, land included, when using the 10% level of assessment under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment the board of review submitted information on four equity comparables, one of which reflected sale data. The sale of the subject in July 2016 for \$523,750 was also reflected on the grid sheet.

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 Board finds that the subject's sale does not have the elements of an arm's-length transaction as it was not advertised or exposed on the open market. The subject's assessment reflects a market value of \$272.19 per square foot of living area, including land, while its purchase price reflects a market value of \$248.93 per square foot of living area, including land. The board of review provided one sale comparable that was located within two blocks of the subject property and sold at a time proximate to the valuation date. This comparable sold for \$405.84 per square foot, including land, which is well above the subject's purchase price as well as its current market value. Moreover, the appellant failed to submit any sale comparables to demonstrate that the sale was at

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market value. Accordingly, the Board finds that a reduction in the subject's assessment is not justified based on the evidence contained in the record.

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APPELLANT:	National Spiritual Assembly of Baha'is
DOCKET NUMBER:	17-23801.001-R-1
DATE DECIDED:	October 2021
COUNTY:	Cook
RESULT:	No Change

The subject property consists of a two-story dwelling of frame and masonry construction with 3,751 square feet of living area.¹ The dwelling is approximately 98 years old. Features of the home include a full basement with a formal recreation room, central air conditioning, a fireplace, and a two-car garage. The property has a 6,490 square foot site and is located in Wilmette, New Trier Township, Cook County. The subject is classified as a class 2-06 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant, National Spiritual Assembly of the Baha'is, with a mailing address in Evanston, contends the assessment of the subject property, located in Wilmette, as established by the decision of the Cook County Board of Review for the 2016 tax year should be carried forward to the 2017 tax year pursuant to section 16-147 of the Property Tax Code [Code]. (35 ILCS 200/16-147). This provision of the Code states:

Reduced assessment of homestead property. In any county with 3,000,000 or more inhabitants, if the board of review or board of appeals lowers the assessment of a particular parcel **on which a residence occupied by the owner** is situated, the reduced assessment, subject to equalization, shall remain in effect for the remainder of the general assessment period as provided in Sections 9-215 through 9-225, unless the taxpayer, county assessor, or other interested party can show substantial cause why the reduced assessment should not remain in effect, or unless the decision of the board is reversed or modified upon review. [Emphasis added.]

The Residential Appeal petition provides specifically "if appellant is other than owner" the appealing party shall provide the name and address of the owner. (Section 2b of the petition). In this record, the appellant National Spiritual Assembly of the Baha'is did not provide any data in Section 2b and therefore, the appellant is presumably the owner of the subject property.

Inexplicably, in the brief submitted with this appeal, counsel stated that "[t]he appellant Mr. Geoffrey N. Wilson" obtained a reduced assessment for tax year 2016 from the Cook County

¹ For this appeal, the appellant reported a dwelling size of 2,641 square feet of living area. The Property Tax Appeal Board takes judicial notice that the subject property was the subject matter of appeals before the Board under Docket Nos. 15-22935.001-R-1 and 16-20977.001-R-1 wherein the record evidence presented by both the appellant and the board of review depicted the subject property as containing 2,641 square feet of living area. However, in the 2017 tax year appeal, the board of review depicts the subject's dwelling size to be 3,751 square feet of living area. There is no rebuttal from the appellant refuting the dwelling size reported by the board of review. Furthermore, the Board also takes notice that in subsequent appeals under Docket Nos. 19-22318.001-R-1 and 20-23161.001-R-1, both the appellant and the board of review report the subject's dwelling size to be 3,751 square feet of living area. (86 Ill.Admin.Code §1910.90(i)).

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Board of Review lowering the assessment of the subject to \$86,860. Since 2016 was the first year of the general assessment period in New Trier Township and as the property is "owner-occupied, as shown by the Homestead" tax year 2016 exemption documentation, counsel contends that since the assessing officials have not shown substantial cause why the reduced assessment should not remain in effect for this property, the assessment should have remained unchanged for tax year 2017. Moreover, it was asserted that the previous 2016 decision was not reversed or modified upon review. The appellant's attorney also asserted that tax years 2016, 2017 and 2018 are all within the same general assessment period.

In addition, the appellant submitted a grid analysis with information on three equity comparables located in the same neighborhood code as the subject property. The comparables consist of class 2-06 dwellings of masonry exterior construction that are either 101 or 105 years old. The homes range in size from 2,903 to 2,999 square feet of living area and feature full basements, two of which have formal recreation rooms. One dwelling has central air conditioning and two dwellings each have a fireplace. Each comparable has either a two-car or a three-car garage. The comparables have improvement assessments ranging from \$78,807 to \$80,898 or either \$26.77 or \$27.15 per square foot of living area.

Based on the foregoing evidence and argument, the appellant requested a reduced improvement assessment of \$74,529 or \$19.87 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$103,293. The subject property has an improvement assessment of \$90,962 or \$24.25 per square foot of living area.

In support of its contention of the correct assessment, the board of review submitted information on three equity comparables² located in the same neighborhood code as the subject property. The comparables consist of two-story class 2-06 dwellings of masonry or stucco exterior construction that range in age from 90 to 101 years old. The homes range in size from 2,680 to 3,590 square feet of living area. Two of the comparables feature full basements with formal recreation rooms and one comparable has a concrete slab foundation. One dwelling has central air conditioning and each dwelling has one or two fireplaces. Each comparable also has a two-car garage. The comparables have improvement assessments ranging from \$68,197 to \$100,841 or from \$25.30 to \$28.09 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The appellant raised a contention of law asserting that the assessment of the subject property as established by the Cook County Board of Review for the 2016 tax year should be carried forward to the 2017 tax year pursuant to section 16-147 of the Property Tax Code. (35 ILCS 200/16-147). When a contention of law is raised the burden of proof is a preponderance of the evidence. (See 5 ILCS 100/10-15). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted based upon a contention of law.

² Board of review comparables #1 and #2 are duplicates of the same property.

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First and foremost, the appellant named in this Residential Appeal petition is National Spiritual Assembly of the Baha'is with a mailing address in Evanston. In contrast, in the brief, counsel reported the appellant to be Geoffrey N. Wilson when claiming the subject property located in Wilmette is owner-occupied. The Board finds the fact that the appellant on this petition and the purported "owner-occupant" are not one in the same undermines the contention that this is owner-occupied property.

Second, the appellant did not establish that the subject property was afforded the Homeowner exemption for tax year 2017 which is at issue in this appeal before the Property Tax Appeal Board. The documentation submitted by the appellant only displays an exemption for the prior tax year of 2016.

Third, the Board finds that named appellant National Spiritual Assembly of the Baha'is appears to be an entity or organization rather than an individual which further undermines the appellant's contention that the subject property is owner-occupied.

Finally, the Board finds based on the disputed dwelling size data for years prior to 2017 and the agreed upon larger dwelling size for appeals subsequent to 2017 as outlined in Footnote 1 herein, the Board's records reflect that the dwelling size of the subject property changed significantly from tax year 2016 to tax year 2017. Based on the requirements of the Code, the Board finds that such a substantial dwelling size change could well be 'substantial cause' to change the assessment of the subject dwelling within the triennial assessment cycle if there was a descriptive error in the previous assessment records.

Therefore, in conclusion on the contention of law argument, the Property Tax Appeal Board finds no basis upon which to carry the 2016 decision of the Cook County Board of Review forward to the subsequent tax year of 2017. The Board finds that the appellant, National Spiritual Assembly of the Baha'is, failed to establish that the subject property was owner occupied by an individual for tax year 2017. (35 ILCS 200/16-147).

In addition, the appellant submitted assessment inequity data. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity, and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The parties submitted a total of six equity comparables, given the one duplication by the board of review, to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to the appellant's comparables and to board of review comparable #4 due to their substantially smaller dwelling sizes when compared to the subject dwelling that contains 3,751 square feet of living area.

On this record, the Board finds the best evidence of assessment equity to be board of review comparables #1 and #3. These comparables had improvement assessments of \$84,477 and

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\$100,841 or of \$25.30 and \$28.09 per square foot of living area, respectively. The subject's improvement assessment of \$90,962 or \$24.25 per square foot of living area falls within the range established by the best comparables in this record in terms of overall assessment and below the range on a per-square-foot basis, which appears to be logical given that the subject is larger than each of the best comparables in the record. Under the principle of the economies of scale, 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, the Board finds that the appellant did not establish entitlement to a reduction in assessment in accordance with Section 16-147 of the Code nor did the appellant demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed. In conclusion, the Board finds that a reduction in the subject's assessment is not justified on this record.

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APPELLANT:	<u>Stephen G. & Lynette Swedburg</u>
DOCKET NUMBER:	<u>19-00522.001-R-1</u>
DATE DECIDED:	<u>December 2021</u>
COUNTY:	<u>Jo Daviess</u>
RESULT:	<u>Reduction</u>

The subject property consists of a one-story lake front dwelling of frame exterior construction with 1,232 square feet of living area. The dwelling was constructed in 1983. Features of the home include a basement with finished area, central air conditioning and two fireplaces. The property has a 19,602 square foot site, 197 linear feet of shoreline frontage with a bay lake location and is located in Apple River, Thompson Township, Jo Daviess County.

The appellants contend assessment inequity with respect to the land as the basis of the appeal. The improvement assessment was not challenged. In support of this argument the appellants submitted information and property record cards on four comparables located in the subject's Apple Canyon Lake subdivision. The comparables have sites that range in size from 21,780 to 61,855 square feet of land area and have from 205 to 222 linear feet of shoreline. Three of the comparables have a main or point lake location and one comparable has a bay location. The comparables have land assessments ranging from \$74,793 to \$85,791 or from \$1.21 to \$3.94 per square foot of land area and from \$359.61 to \$386.45 per linear foot of shoreline.

The appellants' attorney submitted a written brief arguing the Jo Daviess Chief County Assessor and board of review, in its 2019 quadrennial reassessment of lake frontage lots in the subject's subdivision, based land assessments solely on linear shoreline feet. The attorney asserted that at the board of review hearing, the appellants were told simply that there is a premium for lake frontage. The appellants' attorney summarized the board of review's land valuations as being determined by the number of linear shoreline feet with 1 to 100 feet valued at \$3,500 per foot, 101 to 200 feet at \$1,400 per foot, 201 to 300 feet valued at \$1,100 per linear foot and 301 feet or more valued at \$400 per linear foot. The appellants' attorney asserted that, in addition to shoreline footage, other site factors such as land area, slope and lake location should be considered in the determination of lake lot assessments. The attorney claimed that no sale figures were found to support the increase in the land assessment of the subject property which was reported to be 178% higher than the subject's 2018 land assessment.

In addition to the four comparable sales, the appellants also submitted a second table with 14 properties from the subject's subdivision. The table provided 2018 and 2019 assessments along with linear feet of shoreline for these properties. The appellants argued this information demonstrated the inequitable results obtained by the board of review's 2019 revaluation methodology. Based on this evidence, the appellants requested the subject's land assessment be reduced to \$33,123 or \$1.69 per square foot of land area and \$168.14 per linear foot of shoreline.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$139,980. The subject property has a land assessment of \$91,924 or \$4.69 per square foot of land area and \$466.62 per linear foot of shoreline. In support of its

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contention of the correct assessment the board of review submitted information on 16 equity comparables located in the Apple Canyon Lake subdivision. The comparables have sites that range in size from 15,682 to 77,972 square feet of land area, twelve of which had shoreline frontage ranging from 104 to 190 linear feet. The comparables have land assessments that range from \$2,000 to \$88,658 or from \$0.06 to \$3.74 per square foot of land area. Twelve of the comparables have land assessments of \$318.49 or \$466.62 per linear foot of shoreline.

The board of review also submitted comments stating Thompson Township and all properties in Apple Canyon Lake were reassessed for the 2019 quadrennial assessment period according to sales from 2016, 2017 and 2018. It stated that Apple Canyon Lake had very few vacant lake front parcels and that only one had been listed for sale. The board of review described its methodology in determining lake front lot assessments as follows: “Since there are few if any vacant lake front lots available for sale or sold; the value was determined on no view lots first and then applied to the houses with no views. The house value was then used for the Lake Front properties which then determined the land or Lake Front property values.” The board of review then critiqued the appellants’ comparables noting that most were outside the 101 to 200-foot range of shoreline like the subject property. Based on this evidence, the board of review requested the subject’s assessment be confirmed.

Conclusion of Law

The taxpayers contend assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity, and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellants met this burden of proof and a reduction in the subject’s assessment is warranted.

The Board finds that reliance on land assessment data in the subject’s subdivision, generated by the same 2019 revaluation methodology as the subject’s land assessment, would be self-validating to a uniformity argument. Therefore, the Board shall analyze the land assessments resulting from the application of the per linear shoreline footage methodology employed by the board of review.

Analysis of the land assessments in the subject’s subdivision, after the 2019 revaluation, suggests a lack of uniformity. Of note are three properties presented by the appellants with lot sizes of 41,382, 41,818 and 45,738 square feet of land area, linear shoreline footage of 352, 310 and 354, respectively which had land assessments of \$1.13, \$0.99, and \$0.90 per square foot of land area and either \$133.32 or \$116.28 per linear foot of shoreline. This compares to the subject’s 19,602 square foot site with a land assessment of \$91,924 or \$4.69 per square foot of land area and \$466.62 per linear foot of shoreline. The revaluation methodology utilized by the board of review, results in lower overall land assessments for these three lots which are substantially larger in land area and have at least 100 feet more shoreline frontage than the subject property. While generally accepted real estate theory states that per unit values decline as the number of units increases, this theory is predicated on the underlying assumption that “all things being equal.” This valuation theory does not hold with respect to the subject’s land assessment when compared to the

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assessments of three properties that are larger in land area and have a greater number of shoreline linear feet.

The board of review comparables include one listing of vacant land and one closed sale which sold in October 2018 and included the demolition of an existing improvement. The board of review did not indicate that either of these properties were considered in its 2019 revaluation of lake front lots in the subject's subdivision. Furthermore, the board of review's methodology, based on lake frontage only, ignores other relevant features of a site such as land area, lake location, grade and/or other amenities that may be present. In addition, the Board finds the board of review failed to submit vacant land sales, or any other market data, in the Apple Canyon Lake subdivision to support its per shoreline linear foot values as applied to the subject's lake front parcel.

As evidenced by assessment information submitted for lake front lots exceeding 300 feet of shoreline, the Board finds that the revaluation methodology utilized by the board of review results in inequitable land assessments in the subject's subdivision. Based on this limited record the Board finds the appellants demonstrated with clear and convincing evidence that the subject's land was inequitably assessed and a reduction in the subject's assessment is justified.

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APPELLANT:	<u>Jeffrey Tackes</u>
DOCKET NUMBER:	<u>18-04215.001-R-1</u>
DATE DECIDED:	<u>February 2021</u>
COUNTY:	<u>DuPage</u>
RESULT:	<u>Reduction</u>

The subject property consists of a 2-story dwelling of frame and brick exterior construction with 3,192 square feet of living area. The dwelling was constructed in 1983. Features of the home include an unfinished basement, central air conditioning, a fireplace, and an attached 2-car garage containing 440 square feet of building area.¹ The property is located in Addison, Addison Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant completed Section IV – Recent Sale Data and reported that the subject property was purchased on April 13, 2017 from John Mirante for a price of \$400,000. The appellant further reported that the parties to the transaction were not related, the property was sold through a realtor, and the property was advertised through the Multiple Listing Service (MLS). The MLS data sheet depicted that the subject property was originally listed for \$410,000 and had been on the market for 13 days. In further support of the appeal, the appellant provided a copy of the Settlement Statement associated with the sale of the subject which reiterated the purchase price, date of sale, and depicted broker's fees being distributed to two entities. Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$143,610. The subject's assessment reflects a market value of \$431,520 or \$135.19 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue.

In support of the assessment, the board of review submitted information and property record cards on four comparable sales located in the same neighborhood code as the subject property. The comparables are improved with 2-story dwellings of frame, brick, or frame and brick exterior construction ranging in size from 2,280 to 2,738 square feet of living area. The dwellings were constructed from 1979 to 1986. Each comparable features an unfinished basement, central air-conditioning, and a garage ranging in size from 440 to 609 square feet of building area. Three comparables each have a fireplace. The comparables sold from June 2016 to August 2017 for prices ranging from \$323,000 to \$423,000 or from \$134.14 to \$162.28 per square foot of living area, including land. The township assessor noted in the grid analysis that the subject's 2017 assessment reflected the sale price of \$400,000; then, for 2018 tax year, the assessor again offered the same assessment as 2017 tax year plus the application of the equalization factor of 1.0463 "which is a typical practice." The township assessor also noted in the grid analysis that the owner

¹ Some descriptive information of the subject was drawn from the MLS data sheet provided by the appellant and/or the subject's property record card provided by the board of review.

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had taken out permits for new windows and doors, but the interior renovation was “unknown.” A copy of the permit was not submitted by the board of review, and no evidence of renovation and/or material costs was presented. Based on this evidence and argument, the board of review requested the subject’s assessment be confirmed.

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 in the record to be the purchase of the subject property in April 2017 for a price of \$400,000. The appellant provided evidence demonstrating the sale had the elements of an arm’s-length transaction. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold using a Realtor, and that the property had been advertised on the open market through the Multiple Listing Service. The MLS listing sheet provided by the appellant disclosed the subject property had been on the market for 13 days. In further support of the transaction, the appellant submitted a copy of the Settlement Statement associated with the sale of the subject which reiterated the purchase price, date of sale, and depicted broker's fees being distributed to two entities. The Board finds the market value reflected by the assessment of \$431,520 is higher than the purchase price of \$400,000. Importantly, the board of review did not present any evidence to refute the contention that the purchase price was reflective of market value or challenge the arm’s-length nature of the transaction. Finally, the Board finds that the disclosure made by the board of review that the subject’s 2017 assessment was reduced to reflect the purchase price adds validity to the conclusion the sale price was indicative of the subject’s fair cash value as of the January 1, 2018 assessment date.

The Illinois Supreme Court has held that a contemporaneous sale between two parties dealing at arm’s-length is not only relevant to the question of fair cash value but practically conclusive on the issue of whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). The Property Tax Appeal Board finds that the four comparable sales submitted by the board of review do not overcome the subject's arm's-length sale price as provided by the aforementioned controlling Illinois case law. Additionally, each of the board of review comparables had significantly smaller dwelling size when compared to the subject, and two comparables sold in June and October 2016, dates less proximate in time to the subject’s January 1 2018 assessment date in question to accurately reflect market value as of that date. The board of review’s assertion that it offered to lower the appellant’s assessment to the sale price plus the application of the 2018 equalization factor is unpersuasive. The board of review’s grid depicts that the township assessor, who is not a party to this appeal, made the aforementioned offer and there is no indication in the “Notes on Appeal” or anywhere else in the record that the board of review ratified this offer. Furthermore, applying the 2018 equalization factor of 1.0463 to the subject’s sale price amounts to a total assessment of \$139,283 which is lower than the subject’s

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assessment of \$143,610, lending support to appellant's claim that the subject property is over-assessed.²

Lastly, as to the permit taken out for renovation(s), Section 10-20 of the Property Tax Code states that maintenance and repairs to a structure shall not increase the assessed valuation unless the change increases the square footage, materially alters the character and condition of the structure, goes beyond merely prolonging the life of the existing structure or used materials that were greater in value than the replacement value of the materials being replaced. (35 ILCS 200/10-20) In accordance with the statutory provision, merely restoring the structure from a state of disrepair does not materially alter the property. The board of review submitted no evidence such as a copy of the permit or cost of materials to suggest the materials were greater in value than the original or that the renovation materially altered the existing character and condition of the subject dwelling.

Based on this record, the Board finds the subject's assessment is not reflective of market value and a reduction in the subject's assessment commensurate with the appellant's request is justified.

² \$400,000 x .3328 (2018 3-year average median level of assessment for DuPage County) = \$133,120 x 1.0463 = \$139,283.

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APPELLANT:	Gina Will
DOCKET NUMBER:	17-30719.001-R-1
DATE DECIDED:	March 2021
COUNTY:	Cook
RESULT:	No Change

The subject consists of a one-story dwelling of masonry exterior construction with 1,053 square feet of living area. The dwelling is 62 years old. Features of the home include a full basement with a formal recreation room, a fireplace, and a one-car garage. The property has a 6,500 square foot site and is located in Park Ridge, Maine Township, Cook County. The subject is classified as a class 2-03 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted information on four comparable sales that were located within the same neighborhood code as the subject. The comparables had lots ranging in size from 5,791 to 7,313 square feet of land area and were improved with similar class 2-03 dwellings of frame, masonry or frame and masonry exterior construction. The comparables ranged in size from 1,599 to 1,789 square feet of living area and ranged in age from 55 to 91 years old. Three comparables had either full or partial unfinished basements and one had a crawl-space foundation. Two comparables had central air conditioning, three comparables each had a fireplace and three comparables have either one-car or two-car garages. The comparables sold from January to November 2016 for prices ranging from \$250,000 to \$380,000 or from \$152.53 to \$212.41 per square foot of living area, including land. The comparables have total assessments ranging from \$29,250 or from \$36,892 which, at the Ordinance level of 10%, reflect market values ranging from \$292,500 to \$368,920 and depict ratios of recent sales prices ranging from 9.7% to 14%.

Based on this evidence, the appellant requested that the subject's total assessment be reduced to \$19,990. The requested assessment would reflect a total market value of \$199,900 or \$189.84 per square foot of living area, land included, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$28,279. The subject's assessment reflects a market value of \$282,790 or \$268.56 per square foot of living area, including land, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%.

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales along with information on the sale of the subject.

Each of the comparable sales were located within the same neighborhood code as the subject and one was within the subarea. The comparables had lots ranging in size from 6,250 to 8,850 square feet of land area and were improved with similar one-story dwellings of stucco, masonry or frame and masonry exterior construction. The comparables ranged in size from 1,014 to 1,234 square

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feet of living area and were 56 to 96 years old. Each comparable has a full or partial basement, two of which have finished areas. Two dwellings have central air conditioning, each comparable has a fireplace and either a one-car or a two-car garage. The comparables sold from June 2014 to July 2016 for prices ranging from \$340,000 to \$480,000 or from \$275.53 to \$415.58 per square foot of living area, including land. The comparables have total assessments ranging from \$22,208 or from \$33,706 which, at the Ordinance level of 10%, reflect market values ranging from \$222,080 to \$337,060 and depict ratios of recent sales prices ranging from 5.35% to 9.5%.

In addition, the board of review reported that the subject property sold in June 2015 for \$327,000 or \$310.54 per square foot of living area, including land. The subject's current total assessment reflects a market value of \$282,790 or a ratio of 8.6% of the recent purchase price. In an accompanying Supplemental Brief, the board of review noted that the appellant did not disclose this recent purchase price and furthermore asserted that the best indication of market value was the subject's recent arm's-length sale. In support and within the brief, the board of review included documentation from the Cook County Recorder of Deeds' website depicting that the subject transferred via Warranty Deed from Frank and Carmelina Magnelli to Adam and Gina Will.

Based on this evidence the board of review requested an increase in the subject's assessment to \$32,700 in order to reflect the subject's recent purchase price at the 10% level of 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 based on the market value evidence of record that a reduction in the subject's assessment is not warranted.

The parties submitted evidence of eight comparable sales along with the recent sale of the subject property to support their respective positions before the Property Tax Appeal Board. The Board has given little weight to the appellant's comparable sales as each dwelling is significantly larger and/or older than the subject dwelling that contains 1,053 square feet of living area. The Board has also given reduced weight to board of review comparables #3 and #4 which each sold in 2014, a date more remote in time to the valuation date at issue of January 1, 2017 and thus less likely to be indicative of the subject's estimated market value as of the lien date than other market value evidence in the record.

The Board finds the best evidence of market value to be board of review comparable sales #1 and #2 along with evidence of the June 2015 purchase price for the subject property. The two most similar comparable sales presented by the board of review were similar to the subject in age, design, size, foundation, and garage amenity. These two comparables sold in April and July 2016 for \$340,000 and \$480,000 or for \$275.53 and \$415.58 per square foot of living area, including land, respectively, with assessments of 9.5% and 5.4%, respectively, of these recent purchase prices. The subject property was purchased by the appellant in June 2015 for \$327,000 or \$310.54 per square foot of living area, including land. The subject's current total assessment reflects a market value of \$282,790 or \$268.56 per square foot of living area, including land, or an

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assessment that reflects 8.6% of its recent purchase price, which is supported by the best most recent comparable sales in the record. Based on this evidence and after considering the best evidence of market value as reflected both by the best comparable sales in the record and by the subject's June 2015 purchase price, the Board finds that neither an increase nor a decrease in the subject's assessment is warranted.

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APPELLANT:	Nathan Yoder
DOCKET NUMBER:	19-00054.001-F-1
DATE DECIDED:	July 2021
COUNTY:	Douglas
RESULT:	No Change

(Please note: the subject property in this appeal is identified as farmland, however, the primary issue concerns the residence.)

The subject property includes farmland, farm outbuildings, a homesite and a two-story Amish single-family dwelling of frame exterior construction. The dwelling contains 3,332 square feet of living area and was constructed in 2003. Features of the home include a 1,512 square foot basement. The home is described as an Amish home which does not have electricity. The property has a 3.97-acre total site and is located in Arthur, Bourbon Township, Douglas County.

The appellant contends the subject's residential dwelling is inequitably assessed with respect to its improvement assessment; no dispute was raised with the other aspects of the subject's land and/or farm building assessments. While the appellant also marked comparable sales and contention of law as additional bases of the appeal, the Board finds that the record contains no recent comparable sales information submitted by the appellant. Furthermore, with respect to the contention of law, the appellant contends the 2019 board of review members did not meet statutory requirements to become a member of the board of review.

In support of the inequity argument, the appellant submitted information on three comparables located in Arcola and from 1 to 11 miles from the subject property.¹ The comparables are improved with two-story Amish dwellings of wood frame exterior construction that range in size from 3,416 to 3,750 square feet of living area. The homes were built from 2001 to 2004. Each comparable has a basement. None of the assessment data provided by the appellant included any of the farmland and/or farm building assessments. The comparables have improvement assessments ranging from \$59,393 to \$71,925 or from \$17.27 to \$19.18 per square foot of living area.

The appellant's submission included a two-page letter/brief dated January 2, 2020 addressed to the Property Tax Appeal Board from the Bourbon Township Assessor, Mary Kingery. The assessor outlined recent sales, equity, and qualifications of the Board of Review, which are explained as reasons for the appellant filing a complaint. The Property Tax Appeal Board has determined that, absent comparable sales information, no analysis is possible related to recent comparable sales. With respect to equity information the assessor stated that Douglas County utilizes mapping software which appears to create unfair property tax assessments in various neighborhoods through

¹ The appellant initially submitted a grid analysis with four comparable properties which depicted that the subject's per-square-foot improvement assessment of \$21.19 was less than any of the four comparable properties. As the appellant's data on its face was insufficient to challenge that the subject was improperly assessed given the evidence provided, the appellant was notified by an Incomplete Checklist to submit evidence sufficient to proceed with the appeal.

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the application of map factors. Several neighborhood examples were discussed as the assessments related to application of the mapping factors applied by the software.

Based on this evidence, the appellant requested the subject's improvement assessment be reduced to \$60,478² or \$18.15 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$93,570. The subject property has a farmland assessment of \$433; a homesite assessment of \$6,749; a farm outbuilding assessment of \$15,773; and a residential improvement assessment of \$70,615 or \$21.19 per square foot of living area.

In support of its contention of the correct assessment, the board of review submitted an explanatory letter prepared by Cathy Means, Chairman of the Douglas County Board of Review, a grid analysis, and Parcel Information Reports for the subject and four equity comparables. The comparables are located from 3 to 8+ miles from the subject property. The comparables are improved with two-story Amish homes of wood and vinyl exterior construction that range in size from 2,560 to 3,680 square feet of living area. The homes were built in either 2000 or 2002. Three of the comparables have basements, one of which is a walkout style with finished area and one comparable has no specific foundation type identified. The properties have improvement assessments ranging from \$70,000 to \$83,745 or from \$19.27 to \$27.35 per square foot of living area.

The Douglas County Board of Review's letter included comments, stating that Amish homes are often built using gas or diesel sheds to create their own gas- powered utilities. The board of review argued that the appellant's complaint before its members failed to provide similar Amish homes as comparable sales and therefore no change in the assessment was made. The board of review claimed that map factors have been adjusted as of the 2019 tax year and that all members of the Douglas County Board of Review have met statutory requirements to serve in their positions.

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

Conclusion of Law

The taxpayer contends assessment inequity as the basis of the appeal concerning the residential dwelling. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity, and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

² Since the appeal petition appears to have included the farm outbuildings assessment of \$15,773 within the reduced improvement assessment request, the Board has deducted the unchallenged outbuilding figure from the appellant's claim of \$76,251.

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The parties submitted a total of seven equity comparables to support their respective positions before the Property Tax Appeal Board. The Board has given less weight to the appellant's comparable #2 and board of review comparable #1 as each of these dwellings differ significantly in dwelling size when compared to the subject property.

The Property Tax Appeal Board finds the best evidence of assessment equity to be appellant's comparables #1 and #3 along with board of review comparables #2, #3 and #4 which are relatively similar to the subject in age, design, dwelling size and most features. These comparables had improvement assessments that ranged from \$17.27 to \$22.76 per square foot of living area. The subject's improvement assessment of \$21.19 per square foot of living area falls within the range established by the best comparables in this record. After considering adjustments to the comparables for differences when compared to the subject, the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is not justified on grounds of lack of assessment uniformity.

The constitutional provision for uniformity of taxation and valuation does not require mathematical equality. The requirement is satisfied if the intent is evident to adjust the burden with a reasonable degree of uniformity and if such is the effect of the statute enacted by the General Assembly establishing the method of assessing real property in its general operation. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill.2d 395 (1960). Although the comparables presented by the parties disclosed that the properties located in the same area are not assessed at identical levels, all that the constitution requires is a practical uniformity which appears to exist on the basis of the evidence.

As a final point, the Property Tax Appeal Board finds it has no jurisdiction over the appellant's argument that the members of the Douglas County Board of Review did not meet their statutory requirements as set forth in Article 6 of the Property Tax Code (35 ILCS 200/Art.6). The jurisdiction of the Property Tax Appeal Board is limited to determining the correct assessment of property which is the subject matter of an appeal from a decision of the board of review pertaining to the assessment of property for taxation purposes. (35 ILCS 200/16-160 & 16-180). Whether or not a member of a board of review has fulfilled educational requirements for the position is not within the scope of the Property Tax Appeal Board's subject matter jurisdiction.

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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2021 FARM DECISIONS



PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
(35 ILCS 200/16-190(a), Illinois Compiled Statutes)
Official Rules - Section 1910.76
Printed by Authority of the State of Illinois

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APPELLANT:	Thomas Hemann
DOCKET NUMBER:	19-01318.001-F-1
DATE DECIDED:	November 2021
COUNTY:	Livingston
RESULT:	No Change

The subject property consists of a single parcel containing 24.65-acres of land that is located in Streator, Long Point Township, Livingston County. Improvements on the property include a dwelling and a two-car garage that are not at issue in this appeal. The assessing officials have the property assessed in the following manner: 2.85-acres homesite and approximately 22-acres of non-agriculture (i.e., non-farmland) timberland for a total land assessment of \$20,951. The improvements have a total assessment of \$29,734.

The appellant based the instant appeal on an issue of classification. The appellant explained in part that but for the dwelling, outbuildings and a small homesite area associated with the dwelling, the entire subject parcel had been assessed as farmland. As part of the appeal petition, the appellant reported he was contesting the change of classification from farmland to homesite of the entire subject parcel. The appellant contends that he has maintained a 2.85-acre homesite and the remaining acreage has "been worked with a goal of timber production."¹ In support of this contention, the appellant provided an aerial photograph, a soil survey, a crop history and five ground-level photographs variously identified as: 20-25 year old walnut trees; white pine trees trimmed to 16' logs; access path through 20 year old oaks; and 10-15 year old walnuts.

The appellant requested a return to the assessment of the subject property as reflected prior to a 2019 revaluation of the property and as a result, the appellant requested a farmland assessment of \$2,000 and a homesite assessment of \$8,500 which along with the existing improvement assessment of \$29,734 would result in a total assessment of \$40,234.

The board of review submitted its "Board of Review Notes on Appeal", wherein the subject parcel's total assessment of \$50,685 was disclosed. The subject's 2019 assessment reflects a homesite (or non-farmland) assessment of \$20,951 and a house/garage or residence assessment of \$29,734.

In support of the subject's total assessment, the board of review submitted a memorandum outlining the facts prepared by Shelly L. Renken, Clerk of the Board of Review. In the memorandum, the board of review reported that 2019 was the quadrennial reassessment year at which time to the subject parcel was revalued and the property class was changed from farm to non-farm as no farming activity was detected.

¹ The Board finds Section 10-150 of the Property Tax Code provides in part:

In counties with less than 3,000,000 inhabitants, any land being managed under a forestry management plan accepted by the Department of Natural Resources under the Illinois Forestry Development Act shall be considered as "other farmland" and shall be valued at 1/6 of its productivity index equalized assessed value as cropland. (35 ILCS 200/10-150).

The Board finds there is no evidence on this record of a forestry management plan for the subject parcel.

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At the appeal before the Livingston County Board of Review for tax year 2019, the appellant reportedly stated that there were no tillable acres (similarly in the Farm Appeal petition to the Property Tax Appeal Board prepared by the appellant, the acreage is only described as either homesite or woodlands). Before the board of review, the appellant indicated that the property was not currently enrolled in any type of forestry plan. Despite these facts, the appellant summarily asserted that woodland should be assessed as farmland.

Next, the board of review cited to Section 1-60 of the Property Tax Code (35 ILCS 200/1-60), which defines farmland as:

Any property used solely for the growing and harvesting of crops; for the feeding, breeding and management of livestock; for dairying or for any other agricultural or horticultural use or combination thereof; including, but not limited to, hay, grain, fruit, truck or vegetable crops, floriculture, mushroom growing, plant or tree nurseries, orchards, forestry, sod farming. . .

It was the assertion of the board of review that the subject property does not meet this definition and therefore is not entitled to a preferential farmland assessment. No portion of the subject property is farmed and there was not a forestry management plan in place for the parcel according to the board of review.

Finally, in the absence of any evidence from the appellant that the actual market value assigned to the property is in error, the board of review requests confirmation of the current assessment classifications of the subject property.

No rebuttal was filed by the appellant in this proceeding.

Conclusion of Law

The appellant appealed the land assessment of the subject parcel for tax year 2019 as a contention of law concerning the assessment classification(s) of the land seeking a portion to be assessed as farmland. When a contention of law is raised the burden of proof is a preponderance of the evidence. (See 5 ILCS 100/10-15). The Property Tax Appeal Board finds the evidence in the record establishes that the subject property is not entitled to a farmland classification and assessment. The only issue before the Property Tax Appeal Board is the classification of the property as "timberland."

The Board finds Section 10-110 of the Property Tax Code provides as follows:

Farmland. The equalized assessed value of a farm, as defined in Section 1-60 and if used as a farm for the preceding two years, except tracts subject to assessment under Section 10-145, shall be determined as described in Sections 10-115 through 10-140... (35 ILCS 200/10-110)

Moreover, Section 1-60 of the Property Tax Code (35 ILCS 200/1-60) defines "farm" in part as:

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any property **used solely** for the growing and harvesting of crops; for the feeding, breeding and management of livestock; for dairying or for any other agricultural or horticultural use or combination thereof; including, but not limited to hay, grain, fruit, truck or vegetable crops, floriculture, mushroom growing, plant or tree nurseries, orchards, forestry, sod farming and greenhouses; the keeping, raising and feeding of livestock or poultry, including dairying, poultry, swine, sheep, beef cattle, ponies or horses, fur farming, bees, fish and wildlife farming... [Emphasis added.]

Here, the primary issue is whether the subject parcel is used primarily for agricultural purposes as required by Sections 10-110 and 1-60 of the Property Tax Code. The Board finds the appellant has not established that the subject parcel has been farmed within the definition of the Property Tax Code as set forth in Section 1-60. The appellant has not set forth any evidence of actual harvesting and/or timber production but rather a "goal of timber production." Such a goal by the appellant does not satisfy the farm definition of Section 1-60 of the Property Tax Code for the "growing and harvesting of crops." In Senachwine Club v. Putnam County Board of Review, 362 Ill. App. 3d 566 (3rd Dist. 2005), the court stated that a parcel of land may be classified as farmland provided that those portions of the property so classified are used solely for agricultural purposes, even if the farm is part of a parcel that has other uses. Id. (citing Kankakee County Board of Review, 305 Ill. App. 3d 799, 802 (3rd Dist. 1999)). The Board finds that in order to receive a preferential farmland assessment, the property at issue must meet this statutory definition of a "farm" as defined above in the Property Tax Code.

Additionally, to qualify for an agricultural assessment, the land must be farmed for at least two years preceding the date of assessment. (35 ILCS 200/10-110). The Board finds that there is no evidence presented by the appellant that he has intentionally grown, sold, timbered or harvested any trees on the subject parcel ever or within the two years preceding 2019. The photographs submitted by the appellant depict a random array of trees along a pathway and/or on the subject parcel.

Thus, in summary, the Board finds the appellant made no showing whatsoever to establish what cultivation of the trees was occurring to aid in their growth. Based on this record, the Board finds that there is no evidence of the planting of trees on the subject property within two years prior to the assessment date at issue and thus, the appellant failed to establish that any intensive, deliberate or ongoing farming activity was being performed on the subject parcel in relation to the growth of trees intended for any timber production.

A parcel of property may properly be classified as partially farmland, provided those portions of property so classified are used solely for the growing and harvesting of crops. Santa Fe Land Improvement Co. v. Illinois Property Tax Appeal Board, 113 Ill. App. 3d 872, 875, 448 N.E.2d 3, 6 (3rd Dist. 1983). The Board finds the evidence submitted by the appellant fails to establish that the subject parcel or any portion thereof is being used solely for the growing and harvesting of trees for timber production. Thus, the Board finds that the appellant's evidence failed to adequately establish the subject parcel or any portion thereof is appropriate for a farmland classification under the Property Tax Code.

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The Property Tax Appeal Board further finds that woodland parcels can be considered as farm if one of the following applies: (1) the parcel is under the same ownership as the other parcels that make up a farm, or (2) the parcel is enrolled in a forestry management plan accepted by the Illinois Department of Natural Resources. As noted previously in this decision, there is no evidence that the subject parcel is enrolled in a forestry management plan.

In conclusion, the Property Tax Appeal Board finds that the subject property is not entitled to a farmland classification and no change in the classification of the subject's assessment is warranted.

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APPELLANT:	John Hill
DOCKET NUMBER:	18-04648.001-F-1
DATE DECIDED:	March 2021
COUNTY:	Jersey
RESULT:	No Change

The subject property consists of a one-story dwelling of frame and brick construction with 1,120 square feet of living area. The dwelling was originally constructed in 1965 with an addition added approximately 25 years ago. Features of the home include a full unfinished basement, central air conditioning, an attached 525 square foot garage, a 576 square foot pole shed, and a 144 square foot tool shed. The property has 67.18 acres of land and is located in Godfrey, Elsah Township, Jersey County.

The appellant contends overvaluation with regards to the subject's homesite¹ and dwelling as the basis of the appeal. The appellant did not contest the assessment of the farmland. In support of this argument the appellant submitted an appraisal, for estate planning purposes, estimating the subject and an adjacent property had a market value of \$633,350 as of October 8, 2016 with a land valuation of \$545,266 and the contributory value of the buildings of \$88,084. The portion of the appraisal regarding an estimated market value of the subject's homesite and dwelling involved three comparable properties of unknown locations that had allocated homesites ranging in size from 1.93 to 2.89 acres of land area. The homesites were improved with one-story dwellings that ranged in size from 1,036 to 1,704 square feet of living area. The comparables ranged in age from 18 to 60 years old and had other features with varying degrees of similarity to the subject. The comparables had sale dates ranging from February to September 2016 and sold for allocated prices ranging from \$115,278 to \$146,453 or from \$85.44 to \$111.27 per square foot of living area, including land.

Based on this evidence, the appellant requested that the subject's house and homesite assessment be reduced to \$30,698. The requested assessment would reflect a total market value of \$92,353 or \$82.46 per square foot of living area, including land, when applying the 2018 three-year average median level of assessment for Jersey County of 33.24% as determined by the Illinois Department of Revenue.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the assessment for the subject's house and homesite of \$33,965. The subject's assessment reflects a market value of \$102,181 or \$91.23 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for Jersey County of 33.24% as determined by the Illinois Department of Revenue.

¹ The appellant's appraisers allocated .78 of an acre for the subject's homesite, while the board of review has classified .59 of an acre as the subject's homesite. The Board will use the board of review's lot size in its analysis as it appears not to include the area encompassing the pole shed and tool shed, which are not a part of this appeal.

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In support of its contention of the correct assessment the board of review submitted information on four comparable properties that were located from 5 to 12 miles from the subject property. The comparables had lots ranging in size from .30 of an acre to 2 acres of land area that were improved with one-story dwellings that ranged in size from 960 to 1,672 square feet of living area. The comparables were built between 1965 and 1968 and had other features with varying degrees of similarity to the subject. The comparables had sale dates ranging from April 2016 to October 2018 and sold for prices ranging from \$109,900 to \$154,900 or from \$91.11 to \$114.48 per square foot of living area, including land.

The board of review's submission included a letter critiquing the appellant's appraisal and disclosing that the appraisal's comparable #3 was not an arm's-length transaction as it was a sale between a daughter and her mother.

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

The appellant submitted rebuttal critiquing the board of review's submission.

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.

As an initial matter regarding the appellant's appraisal, the Board gave less weight to the value conclusion due to the appraisal's effective date occurring greater than 14 months prior to the January 1, 2018 assessment date at issue. Furthermore, the appraiser's use of a sale that was not an arm's-length transaction undermines the credibility of its final estimate of market value.

The Board finds the best evidence of market value to be the board of review's comparable sales #3 and #4. These comparables were most similar to the subject in location, style, age, size and features. The best comparable sales in this record sold in July and October 2018 for prices of \$109,900 and \$147,000 or \$114.48 and \$109.70 per square foot of living area, including land, respectively. The subject's house and homesite assessment reflects a market value of \$102,181 or \$91.23 per square foot of living area, including land, which falls below the market values of the best comparables in this record. After considering adjustments to the comparables for differences when compared to the subject, the Board finds the subject's assessment is supported. The Board gave less weight to the parties' remaining comparable sales due to their not being an arm's-length sale transaction and/or their sale dates occurring greater than 15 months prior to the January 1, 2018 assessment date at issue. Based on this evidence in this record, the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	Nicholas & Leigh Ann Jackson
DOCKET NUMBER:	19-02589.001-F-1
DATE DECIDED:	October 2021
COUNTY:	Winnebago
RESULT:	No Change

The subject property consists of a one-story dwelling of frame and brick construction with 2,301 square feet of living area. The dwelling was constructed in 1993. Features of the home include a partially finished walk-out basement, central air conditioning, a fireplace and an attached 1,296 square foot garage. The subject property also features a 12,600 square foot building with a riding arena and stable, a 7,200 square foot building with a shop and cold storage and three loafing sheds. The property has a total of 30.94 acres of land and is located in Rockton, Rockton Township, Winnebago County.

The appellants contend overvaluation with respect to the subject's residence and farm buildings 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 \$533,000 as of January 1, 2019. The appellants' appraisal was completed using the three traditional approaches to value property in estimating a market value for the subject. Under the cost approach, the appraiser estimated the subject's 7-acre homesite has a value of \$69,300, the remaining farmland has a value of \$120,700, the dwelling has a value of \$180,096 and the farm buildings have a value of \$163,338. Under the income approach, the appraiser estimated the subject has a total value of \$540,000. Under the sales comparison approach, the appraiser selected five comparable properties, two of which were improved with a residence. The two improved comparables have homesites with either 6 or 5.40 acres of land that are improved with dwellings containing 4,214 or 2,350 square feet of living area with attached garages of either 3,658 or 870 square feet of building area, respectively. The appraiser estimated these two improved comparables have contributory values of \$348,318 and \$333,768 or \$82.61 and \$142.03 per square foot of living area, including land. Based on this evidence the appellants requested that the subject's residential assessment be reduced to \$59,857, which reflects a market value of approximately \$179,320, and the subject's farm building assessments be reduced to \$52,140.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$151,895. The subject's homesite and residence has an assessment of \$94,716, which reflects a market value of \$283,751 or \$123.32 per square foot of living area, land included, when using the 2019 three year average median level of assessment for Winnebago County of 33.38% as determined by the Illinois Department of Revenue. The subject's farm buildings have an assessment of \$54,317, which reflect a contributory value to the farm of \$162,967, when using the statutory level of assessment of 33.33%.

In support of its contention of the correct assessment the board of review submitted a letter asserting that the appellant's appraisal value is more than the current assessor's value. In addition, the Rockton Township Assessors' Office submitted information explaining how the subject's

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

Conclusion of Law

The appellants contend the market value of the subject property with respect to the subject's residence and farm buildings 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 appellants did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

As to the market value of the subject's residence, the Board finds the subject's 7-acres of non-farmland and residence consist of real property including both land and improvements thereon, however, the appellants claim the improvement is overvalued based on an appraisal of the subject's total 30.94 acres. In Showplace Theatre Company v. Property Tax Appeal Board, 145 Ill. App 3d. 774 (2nd Dist. 1986), the court held an appeal to the Property Tax Appeal Board includes both land and improvements which together constitute a single assessment in this market value case. In Showplace, although the appellant only disputed the subject's land value based on a recent allocated sale price, the Appellate Court held the Property Tax Appeal Board's jurisdiction was not limited to a determination of the land value alone. In accordance with Showplace, the Property Board Tax Appeal Board analyzed the subject's total non-farmland and residential assessment in making the determination on whether its assessment is reflective of its fair cash value. The record contains two improved comparables that have contributory values of \$348,318 and \$333,768 or \$82.61 and \$142.03 per square foot of living area, including land. The subject's homesite and residence has an assessment of \$94,716, which reflects a market value of \$283,751 or \$123.32 per square foot of living area, land included, which is supported by the improved comparable sales in the record.

As to the value of the subject's farm buildings, the Board finds the appellants' appraisal estimated the buildings have a contributory value to the farm of \$163,338. The subject's farm buildings have an assessment of \$54,317, which reflects a contributory value to the farm of \$162,967, when using the statutory level of assessment of 33.33%, which is below the appellants' appraisal value.

Based on the evidence in this record, the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	Christopher Reis
DOCKET NUMBER:	18-00775.001-F-1
DATE DECIDED:	May 2021
COUNTY:	Adams
RESULT:	No Change

(Please note: the appellant did not raise an issue regarding the assessments placed on the subject property and is solely disputing the non-farm classification of the homesite and improvements.)

The subject property consists of a 20-acre parcel improved with a two-story metal building with a concrete slab foundation built in approximately 2015. The 18-foot-high building contains approximately 7,500 square feet of total building area and features a 12-foot by 74-foot porch. On the first floor, approximately 2,500 square feet of the building with an 18-foot clear ceiling height is used for equipment storage and approximately 2,500 square feet with a 9-foot ceiling height is used as living quarters. The living area has electric service, plumbing service and air conditioning. On the second floor of the building, there is 2,500 square feet of open storage space, currently used for storage of household items. The subject property is located in Fowler, Ellington Township, Adams County.

The appellant does not dispute the total assessment but contends that the entire parcel should be assessed as farmland and the entire improvement should be assessed as a farm building. As part of the forest management plan submitted with this appeal, the evidence indicates that the property has been mostly used for recreational purposes as the majority of it is forested. As part of the plan, the appellant also included a color photograph depicting a two-story building with a metal roof and covered patio that includes what appears to be outdoor chairs and tables. The photograph was labeled "front of barn."

In response to this appeal, the members of the Adams County Board of Review reported that in October 2018 they toured the subject building. A memorandum of those observations describes three areas of the building as 2,500 square feet of equipment storage with an 18-foot clear ceiling height, 2,500 square feet of living area with a 9-foot ceiling height and 2,500 square feet of second floor storage area, in which personal household items were being stored. Also observed by the board members on the tour were typical kitchen appliances, dining area furnishings, a television area with sofa and easy chairs and a full bathroom with tub within the living area of the building. Based on their view of the interior, the board of review wrote, in pertinent part, "we concluded that the building was not a typical 'farm building.'" Also included in the board of review submission was a receipt from Graham & Klauser Construction depicting a total cost for the building's concrete of \$50,762 which, among other items, indicated the "inside living quarters will be 5" thick with wood grain stamp and color."

In a memorandum submitted in response to the appeal, the board of review wrote, in pertinent part: "In Adams County, if a building has living quarters, we assess it as a non-farm building." In further support of this county-wide policy, the board of review submitted copies of seven computer

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printouts of other properties in the county with "similar type" buildings that have been classified as non-farm buildings since the building includes living quarters.

Conclusion of Law

The appellant appeals the assessments of the subject land and the subject improvement under the category of a contention of law to the Property Tax Appeal Board for tax year 2018. Both the land assessment and improvement assessment issues were raised as a question of proper classification. The appellant seeks to have the entire parcel preferentially assessed as farmland and in Section 2d of the Farm Appeal petition simply added the existing farmland and homesite assessments together and placed the entire total land assessment under the category of farmland.¹ Likewise, the non-farm building assessment was moved by the appellant in Section 2d of the Farm Appeal petition to a farm building assessment with no challenge to the valuation and/or determination of the assessment. Section 10-15 of the Illinois Administrative Procedure Act (5-ILCS 100/10-15) provides:

Standard of proof. Unless otherwise provided by law or stated in the agency's rules, the standard of proof in any contested case hearing conducted under this Act by an agency shall be the preponderance of the evidence.

The rules of the Property Tax Appeal Board are silent with respect to the burden of proof associated with an argument founded on a contention of law. See 86 Ill.Admin.Code §1910.63.

In this appeal, the appellant contends portions of the subject property have been incorrectly classified by the assessing officials. In contrast, the assessing officials rely upon a policy applied in Adams County that if a portion of a building has living quarters, the entire building is assessed as a non-farm building.

The dispute concerning the land assessment is whether or not 1.62 acres of the subject parcel is correctly assessed as a homesite or should be assessed as other farmland improved with a farm building. Thus, the classification of the disputed 1.62-acre portion of the subject parcel is inextricably linked to the determination of the classification of the improvement.

Classification of Improvement

The appellant challenged the assessment placed by the assessing officials upon the improvement contending the building should be classified as a farm building. Section 1-60 of the Property Tax Code (hereinafter "Code") states in relevant part:

Improvements, other than farm dwellings, shall be assessed as a part of the farm and in addition to the farm dwellings when such buildings contribute in whole or in part to the operation of the farm. (35 ILCS 200/1-60)

Furthermore, Section 10-140 of the Code provides:

¹ The Property Tax Code provides that farmland carries a preferential assessment based upon productivity and soil types whereas homesite or non-farmland is assessed based upon market value considerations.

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Other improvements. Improvements other than the dwelling, appurtenant structures and site, including, but not limited to, roadside stands and buildings used for storing and protecting farm machinery and equipment, for housing livestock or poultry, or for storing, feed, grain or any substance that contributes to or is a product of the farm, shall have an equalized assessed value of 33 1/3% of their value, based upon the current use of those buildings and their contribution to the productivity of the farm. (35 ILCS 200/10-140)

As to the instant assessment challenge, the Property Tax Appeal Board finds the appellant provided no evidence to support altering the classification of the improvement entirely to a farm building. The appellant placed no evidence before the Property Tax Appeal Board as to the use of the building. In contrast, the board of review provided a detailed memorandum describing that two-thirds of the improvement has a residential use with an attached area used for storage of equipment.

On this limited record, the Property Tax Appeal Board finds the evidence describes the subject improvement in a manner similar to a typical dwelling with an attic for storage and an attached garage for storage of equipment. Moreover, the photograph of the improvement with a covered patio with outdoor furniture is more similar to a residential dwelling than to a farm equipment storage building. In light of the foregoing factual findings, the Property Tax Appeal Board finds that the appellant failed to provide substantive evidence to modify the assessment of the non-farm building. There also was no evidence presented by the appellant that the valuation of the structure was erroneous for any given reason whether it is cost of construction and/or market value. Therefore, on this record, the Board finds no change in the assessment of the non-farm building is warranted.

Classification of Homesite

Section 1-60 of the Property Tax Code (35 ILCS 200/1-60) defines "farm" in part as:

any property **used solely** for the growing and harvesting of crops; for the feeding, breeding and management of livestock; for dairying or for any other agricultural or horticultural use or combination thereof; including, but not limited to hay, grain, fruit, truck or vegetable crops, floriculture, mushroom growing, plant or tree nurseries, orchards, forestry, sod farming and greenhouses; the keeping, raising and feeding of livestock or poultry, including dairying, poultry, swine, sheep, beef cattle, ponies or horses, fur farming, bees, fish and wildlife farming...

The Board finds that in order to receive a preferential farmland assessment, the land at issue must meet this statutory definition of a "farm" as defined above in the Property Tax Code. Section 10-115 of the Property Tax Code ("Code") provides in part that:

The Department [of Revenue] shall issue guidelines and recommendations for the valuation of farmland to achieve equitable assessments within and between counties.

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35 ILCS 200/10-115. Pursuant to this provision the Illinois Department of Revenue issued Publication 122, Instructions for Farmland Assessments, (Illinois Department of Revenue, January 2018). Section 10-125 of the Code (35 ILCS 200/10-125), as noted in Publication 122, identifies cropland, permanent pasture, other farmland and wasteland as the four types of farmland and further prescribes the method for assessing the components.

Here, the issue raised by the appellant is whether 1.62-acres upon which the improvement is situated qualifies as other farmland when it is improved with a farm building as alleged by the appellant. However, as noted above, the subject improvement does not qualify as a farm building and thus, the Property Tax Appeal Board finds that the 1.62-acre homesite area has been properly classified given the building's primary residential use. Photographic evidence of the subject building depicts that there is an area surrounding this building that appears to be a lawn for the building. Thus, the Board finds that the portion of land underlying and the portion surrounding the subject building, which is mowed, rock covered and/or landscaped in order to be maintained as a typical residential yard, is not used entirely for agricultural purposes. This area is known as the homesite and should be assessed as such. Based on this record, the Property Tax Appeal Board finds the subject property has a 1.62-acre homesite.

In conclusion after having considered the entire record, the Board finds that no change in classification of the subject parcel and/or improvement is warranted.

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APPELLANT:	James Wayman
DOCKET NUMBER:	18-03321.001-F-1
DATE DECIDED:	January 2021
COUNTY:	Will
RESULT:	Reduction

The subject property consists of a two-story dwelling of brick exterior construction with 4,444 square feet of living area.¹ The dwelling was completed in 2008. Features of the home include a full basement, central air conditioning, a fireplace and an attached three-car garage. The property is also improved with a 2,145 square foot workshop and a pond. The property has a 2.6-acre site and is located in Monee, Green Garden Township, Will County.

The appellant contends land assessment inequity and overvaluation as the bases of the appeal. In support of the inequity argument, the appellant submitted information on six equity comparables located in close proximity to the subject. Each comparable contains approximately 2.5 acres of land. Five of the comparables have land assessments ranging from \$21,275 to \$29,636. Comparable #6 is an unimproved farm lot with no homesite assessment.

In support of the overvaluation argument the appellant submitted an appraisal estimating the subject property had a market value of \$370,000 as of January 1, 2018.

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

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject property of \$136,204. The subject's assessment reflects an estimated market value of \$408,898 or \$92.01 per square foot of living area including land, when using 4,444 square feet of living area and when applying Will County's 2018 three-year average median level of assessment of 33.31%. The subject property has a land assessment of \$43,869.

In support of its contention of the correct assessment the board of review submitted a letter from the Green Garden Township Assessor critiquing the appellant's appraisal. The assessor submitted information revealing that the appellant's appraisers' sale #3, which sold in April 2015 for \$383,900, sold again in August 2017 for \$390,000. The assessor also submitted aerial photographs of the subject and the subject's property record. The board of review did not address the appellant's land assessment inequity complaint.

Conclusion of Law

The appellant contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year

¹ The Board finds the best evidence of the subject's size was the sketch submitted by the board of review.

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in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject.

The appellant submitted six equity comparables for the Board's consideration. The Board gave less weight to the appellant's comparable #6 based on its dissimilar farm use, when compared to the subject's residential use. The Board finds the board of review did not address the appellant's land assessment inequity argument. Therefore, the Board finds the appellant's remaining comparables are most similar to the subject in location, size and use. These comparables had land assessments ranging from \$21,275 to \$29,636. The subject property has a land assessment of \$43,869, which falls above the range established by the best comparables in this record. Based on this record, the Board finds the evidence demonstrates the subject's land was inequitably assessed by clear and convincing evidence and a reduction in the subject's assessment is justified.

The appellant also argued overvaluation as an alternative basis of the appeal. 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 appellant submitted an appraisal estimating the subject property had a market value of \$370,000 as of January 1, 2018. After considering the assessment reduction granted to the subject property based on the assessment inequity argument, the Board finds a further reduction based on overvaluation is not appropriate. Therefore, no further reduction in the subject's assessment is warranted.

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APPELLANT:	Gene Whipple
DOCKET NUMBER:	18-00547.001-F-1
DATE DECIDED:	June 2021
COUNTY:	Lake
RESULT:	No Change

The subject property consists of an approximately 2.95-acre or 128,310 square foot tract of land improved with a one-story dwelling of wood siding exterior construction with 2,361 square feet of living area. The dwelling was constructed in 1987. Features of the home include a full walk-out style basement with finished area, central air conditioning and an attached garage containing 1,565 square feet of building area. The property is also improved with a detached garage containing 4,800 square feet of building area with 1,200 square feet of second floor area of which 420 square feet is finished area. The property has an approximately 2.13-acre homesite and .82-acres of farmland. The property is located in McHenry, Wauconda Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted information on three comparable sales located from 2.39 to 2.76 miles from the subject property. The comparables have sites that range in size from 9,121 to 285,318 square feet of land area. The comparables are improved with either a 1-story or a 1.5-story dwelling of brick or vinyl siding exterior construction ranging in size from 2,246 to 2,788 square feet of living area. The dwellings were built from 1955 to 2014. The comparables each have a basement with two having finished area and each has either one or three fireplaces. Two comparables have central air conditioning, an attached garage with either 530 or 850 square feet of building area and a pole building with either 1,584 or 1,920 square feet of building area. The properties sold from November 2016 to December 2017 for prices ranging from \$200,000 to \$252,000 or from \$82.44 to \$102.40 per square foot of living area, including land. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$143,502. The subject has a farmland assessment of \$842, which is based on the farmland soil types and productivity indices. (See 35 ILCS 200/10-110 through 10-125). The subject's homesite and building improvements have a total assessment of \$142,210, which reflects a market value of \$429,897 or \$154.58 per square foot of living area, land included, when using the 2018 three-year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted a written statement from the Wauconda Township Assessor critiquing the appellant's comparables. The assessor provided a listing sheet associated with appellant's comparable sale #1 which described the home as in need of major repairs, argued comparable sale #2 is a smaller dwelling than the subject dwelling and contended comparable sale #3 is located in a tract subdivision with a 9,121 square foot site. The assessor included a grid analysis with adjustments to appellant's comparable sale #2 for differences in amenities when compared to the subject and arrived at an adjusted sale price of \$334,766 or \$141.79 per square foot of living area, including land.

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In support of its contention of the correct assessment, the board of review submitted property record cards and a grid analysis of the subject, and three comparable sales identified by the township assessor, which are located from 2.79 to 3.11 miles from the subject property. The comparables have sites that range in size from 33,541 to 131,987 square feet of land area. The comparables are improved with either a one-story or a two-story dwelling of wood siding exterior construction ranging in size from 1,810 to 2,520 square feet of living area. The dwellings were built from 1982 to 1992. The comparables each have a basement with two having finished area and each has a fireplace. Two comparables have central air conditioning and an attached garage with either 576 or 984 square feet of building area, one of which also had a 792 square foot detached garage. Two comparables have inground swimming pools and one comparable has a 768 square foot pole barn. Comparable #2 was reported to be a farm parcel with a .77-acre homesite. The properties sold from February 2016 to March 2018 for prices ranging from \$215,286 to \$340,000 or from \$118.94 to \$174.90 per square foot of living area, including land. The assessor also provided a grid analysis adjusting the sales of these three comparables for differences in amenities when compared to the subject and arrived at adjusted sale prices that range from \$410,456 to \$491,070 or from \$173.85 to \$207.99 per square foot of living area land included.

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

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 parties submitted six comparable sales to support their respective positions before the Property Tax Appeal Board. The Board finds none of these comparables are truly similar to the subject due to significant differences in site size, dwelling size, design, age and/or features. Nevertheless, the Board gives less weight to the appellant's comparables, as well as board of review comparable #2 due to their dissimilar site size, dwelling size and/or age. Furthermore, the listing sheet of appellant's comparable #1 disclosed the home as in need of major repairs, suggesting it had condition issues at the time of the purchase.

The Board finds the best evidence of market value in the record to be board of review comparable sales #1 and #3. These comparables have varying degrees of similarity when compared to the subject. The Board recognizes the subject is superior to each of these comparables in dwelling size, garage size and number of garages. The Board also finds that neither of these two properties have farmland. They sold for prices of \$330,000 and \$340,000 or for \$130.95 and \$174.90 per square foot of living area, including land. The subject's assessment for the homesite and related improvements, exclusive of the farmland, reflects a market value of \$429,897 or \$154.58 per square foot of living area, including land, which is above the overall price range established by the best comparable sales in this record but falls between these sales on a price-per-square-foot basis. The subject's higher overall value appears to be justified considering the subject's larger dwelling

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size and the fact that it has two garages with a combined total building area of 6,365 square feet. After considering adjustments to the comparables for differences from the subject, the Board finds the subject's assessment is supported. Based on this record, the Board finds the subject's assessment as determined by the board of review is correct and a reduction in the subject's assessment is not justified.

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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2021 COMMERCIAL DECISIONS



PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
(35 ILCS 200/16-190(a), Illinois Compiled Statutes)
Official Rules - Section 1910.76
Printed by Authority of the State of Illinois

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McGehee, James Alex	19-02148.001-C-1 thru 19-02148.002-C-1	Reduction	C-13 to C-18
O'Donnell, Dan	18-00277.001-C-1	Reduction	C-19 to C-21
Springfield Farm & Home Supply Company, Inc.	18-05672.001-I-2	Reduction	C-22 to C-23
The King Realty Company	17-31951.001-C-2	Reduction	C-24 to C-25
Unit 100 Courthouse Square Office LLC	18-04339.001-C-2 thru 18-04339.002-C-2	Reduction	C-26 to C-30
Walter Lagestee Inc.	19-00238.001-F-1	No Change	C-31 to C-35
Woodward & Barbara Ann, LLC	18-05777.001-C-2 thru 18-05777.003-C-2	No Change	C-36 to C-37
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APPELLANT:	116 S Webster, LLC
DOCKET NUMBER:	19-01152.001-C-1
DATE DECIDED:	December 2021
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a two-story commercial building of frame exterior construction with 2,535 square feet of building area. The building was built in 1986 and is approximately 34 years old. The property has a land-to-building ratio of 1.11:1. The property has a 2,811 square foot site and is located in Naperville, Naperville Township, DuPage County.

The appellant appeared through counsel before the Property Tax Appeal Board by virtual hearing contending assessment inequity of land and improvement as the bases of the appeal. In support of this argument the appellant submitted information on three equity comparables located from .02 to .05 of a mile from the subject property. The comparables have sites ranging in size from 5,330 to 10,890 square feet of land area. The comparables were improved with two-story commercial buildings of frame exterior construction ranging in size from 1,216 to 2,259 square feet of building area. The comparables range in age from 109 to 149 years old. The properties have land-to-building ratios ranging from 4.38:1 to 5.5:1. The comparables have improvement assessments ranging from \$51,900 to \$81,860 or from \$31.22 to \$67.32 per square foot of building area. The comparables have land assessments ranging from \$83,570 to \$150,270 or from \$12.60 to \$15.68 per square foot of land area. The appellant requested that the assessment of the subject property be reduced to \$148,058.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$227,400. The subject property has an improvement assessment of \$190,130 or \$75.00 per square foot of building area and a land assessment of \$37,270 or \$13.26 per square foot of land area. Representing the board of review was Board Member, Carl Peterson. Peterson called as his witness Warren Dixon III, Naperville Township Assessor.

As to the appellant's evidence, the board of review submitted a brief from the Naperville Township Assessor's Office critiquing the appellant's comparables. The assessor disclosed that the appellant's comparables are single tenant office buildings whereas, the subject property is retail on the first floor and office on the second floor. Also included was income information and comparable sales which will not be further discussed as this is not responsive to the appellant's equity argument.

In support of its contention of the correct assessment the board of review submitted information on three equity comparables located from .10 of a mile to .14 of a mile from the subject property. The comparables have sites ranging in size from 2,805 to 6,820 square feet of land area. The comparables were improved with two-story commercial buildings ranging in size from 2,646 to 4,440 square feet of building area. Two of the comparables were built in 1890 and 1905. These comparables consist of retail on the first floor and office on the second floor. These properties have land to building ratios ranging from 1.00:1 to 1.54:1. The comparables have improvement

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assessments ranging from \$160,350 to \$369,210 or from \$60.60 to \$92.30 square feet of building area. The comparables have land assessments of \$48,490 or \$117,060 or from \$16.13 to \$17.29 per square foot of land area. The board of review requested that the subject's assessment be confirmed.

Under rebuttal, the appellant's attorney submitted a brief critiquing the board of review's comparables. Also submitted were "two replacement comparables" for the Board's consideration.

Pursuant to the rules of the Property Tax Appeal Board, rebuttal evidence is restricted to that evidence to explain, repel, counteract, or disprove facts given in evidence by an adverse party. (86 Ill. Admin. Code, Sec. 1910.66(a)). Moreover, rebuttal evidence shall not consist of new evidence such as an appraisal or **newly discovered comparable properties**. (86 Ill. Admin. Code, Sec. 1910.66(c)). In light of these rules, the Property Tax Appeal Board has not considered the two replacement comparables submitted by appellant in conjunction with her rebuttal argument.

In surrebuttal, the board of review submitted an assessor's response to the appellant's rebuttal evidence.

Conclusion of Law

The taxpayer contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity, and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted on grounds of lack of assessment uniformity.

The Board finds the record contains six land equity comparables submitted by the parties in support of their respective positions. The Board gave less weight to the appellant's comparables #2 and #3 along with board of review comparable #1 due to their larger site sizes when compared to the subject. The Board finds the best evidence of land assessment equity to be the remaining comparables. These comparables have varying degrees of similarity when compared to the subject in location and site size. The assessments are either \$48,490 or \$83,570 or from \$15.68 to \$17.29 per square foot of land area. The subject's land assessment of \$37,270 or \$13.26 per square foot of land area falls below the range of the best comparables in this record. Based on this record the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's land was inequitably assessed.

The record also contains six improvement equity comparables for the Board's consideration. The Board gave less weight to the appellant's comparables #1 and #2 along with board of review comparable #1 as these properties are smaller or larger in building size when compared to the subject.

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The Board finds the best evidence of improvement equity to be the remaining comparables. These comparables are similar in location and building size. These comparables had improvement assessments that ranged from \$70,530 to \$276,890 or from \$31.22 to \$92.30 per square foot of building area. The subject's improvement assessment of \$190,130 or \$75.00 per square foot of building area falls within the range established by the best comparables in this record. After considering adjustments to the comparables for differences when compared to the subject, the Board finds the subject's improvement assessment is supported. Based on this record the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is not justified.

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APPELLANT:	Chateau Elite Daycare
DOCKET NUMBER:	18-04069.001-C-1
DATE DECIDED:	December 2021
COUNTY:	Lake
RESULT:	Reduction

The subject property consists of a one-story commercial building of masonry exterior construction utilized as a daycare facility with 9,144 square feet of gross building area that was constructed in 2000. Features include a concrete slab foundation and central air conditioning. The property has a 60,548 square foot site resulting in a land-to-building ratio of 6.62:1 and is located in Mundelein, Fremont Township, Lake County.

The appellant contends overvaluation as the basis of the appeal.¹ In support of the market value argument, the appellant submitted an appraisal prepared by Christopher R. Glenday, a Certified General Real Estate Appraiser with the SRA designation. The appraisal was prepared utilizing fee simple rights and performed for an ad valorem real estate assessment appeal. The appraiser utilized both the income and sales comparison approaches to value in estimating the subject had a market value of \$850,000 or \$92.96 per square foot of building area, including land, as of January 1, 2019.

At pages 10 and 29 of the appraisal, the appraiser stated the cost approach was not developed as accrued depreciation would require subjective deductions, area land sales data is scarce and also this approach is given little emphasis typically by buyers when making pricing decisions involving this type of property.

Commencing on page 30 of the report, the appraiser performed a sales comparison approach to value analyzing four sales of comparable properties. The comparables range in building size from 5,379 to 10,564 square feet of building area and have land-to-building ratios ranging from 4.47:1 to 10.58:1. The comparables sold from January 2018 to March 2019 for prices ranging from \$450,000 to \$750,000 or from \$71.00 to \$103.57 per square foot of building area, including land. After applying adjustments to the comparables' differences in location, land-to-building ratio, building size and/or age from the subject, Glenday selected a unit value of \$95 per square foot of building area, including land, for the subject resulting in an opinion of \$820,000, rounded.

Commencing on page 35 of the report, the appraiser performed an income capitalization approach to value. The appraiser used eight market rent comparables that ranged in size from 5,000 to 10,000 square feet. Their asking rents ranged from \$6.90 to \$26.00 per square foot either on a triple net or a modified gross basis. The appraiser estimated the subject had a market rent of \$14.00 per square foot of building area and thus, the appraiser estimated the subject had a gross income of \$128,016.

Glenday stated in his report that, based on analysis of databases and rental data, the subject would have a vacancy rate of 5% and a management fee and miscellaneous expenses of 24.34% of

¹ The appellant's request for a hearing was waived with the rebuttal filing.

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effective gross income. After making deductions for vacancy as well as for management and miscellaneous expenses, Glenday estimated the subject had a net operating income of \$94,316.

The capitalization rate for the subject was determined to be 7.6% with the effective tax rate of 3.6% added resulting in an overall capitalization rate of 11.2%. Capitalizing the subject's net operating income resulted in an estimate of value under the income approach of \$840,000, rounded.

In reconciling the two approaches to value, Glenday gave primary emphasis to the sales comparison approach and secondary emphasis to the income approach to arrive at an estimate of value of \$850,000 as of January 1, 2019.

Based on the foregoing, the appellant requested a reduced total assessment of \$329,361 which would reflect a market value of \$988,182 or \$108.07 per square foot of gross building area, including land, at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$429,360. The subject's assessment reflects a market value of \$1,297,944 or \$141.94 per square foot of building area, land included, when using the 2018 three-year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In response to the appellant's evidence, the board of review submitted a memorandum noting that the appellant's requested assessment results in a market value estimate that is greater than the appraised value conclusion. The memorandum also asserts that only two of the appraisal's comparable sales are similar in design and "appeal" to the subject property. It was noted in the memorandum that no cost approach was performed "which would [have] been helpful in establishing the subject's site value and the property's highest and best use." A criticism of the income approach rental comparables and the appraiser's concluded value being below the value conclusion in the sales comparison approach were also argued.

Having considered the record, the board of review proposed a stipulated total assessment of \$380,962 or a reported estimated market value of \$1,143,000 or \$125.00 per square foot of gross building area, including land.

The appellant was informed of this proposed assessment reduction offered by the board of review and appellant rejected the offer within the rebuttal filing.

In rebuttal, the appellant further argued that the requested assessment reduction that is less than the market value reflected in the appraisal should not be deemed to be prejudicial in any manner in the appeal. Additionally, while the board of review provided no comparable data to support the assessment of the subject property, the appellant asserted that the appraiser chose not to perform a cost approach due to the subjective nature of depreciation calculations and because the cost approach is given little emphasis by buyers when making decisions involving properties of this type. Furthermore, the appellant contends the reconciliation of the two approaches to value support the appraiser's final value conclusion and the sales comparison approach alone supports the assessment request made by the appellant in this appeal.

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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 and only evidence of market value in the record to be the appraisal submitted by the appellant which appeared to present a credible and logical opinion of value based upon two of the three traditional approaches to value. In contrast, the board of review proposed an assessment reduction for the subject property and set forth criticisms of the appellant's appraisal but provided no other market value data to support the subject's assessment.

The subject's assessment reflects a market value of \$1,297,944 or \$141.94 per square foot of building area, including land, which is above the appraised value conclusion in the record of \$850,000. The Board further finds that a reduction in the subject's assessment reflective of the appraised value conclusion would result in more than a \$100,000 assessment reduction which would have required notification of affected taxing districts and giving them an opportunity to intervene in this proceeding. "In all cases where a change in assessed valuation of \$100,000 or more is sought, the board of review shall serve a copy of the petition on all taxing districts as shown on the last available tax bill." (35 ILCS 200/16-180). See also 86 Ill.Admin.Code §1910.40(f). Therefore, the Board finds that the subject property is overvalued and on this limited record a reduction commensurate with the appellant's request is the only appropriate result.

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APPELLANT:	Illinois Realty Group Holdings LLC
DOCKET NUMBER:	19-02157.001-R-1
DATE DECIDED:	July 2021
COUNTY:	St. Clair
RESULT:	Reduction

(Please note: the subject property in this appeal is identified as a commercial property, however, the appeal was filed as a residential appeal.)

The subject property consists of a one-story commercial building of steel exterior construction containing 5,000 square feet of building area. The building was built in 1950 on a concrete slab foundation and features central air conditioning. The property has a 57,950-square foot site and is located in East St. Louis, East St. Louis Township, St. Clair County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted information on three comparable sales located from 1.5 to 9.5 miles distant from the subject property. The comparables have sites ranging in size from 14,375 to 46,034 square feet of land area. The comparables are improved with a 1-story, a 1.5-story, or a 2-story commercial or commercial/duplex building of varying exterior finishes that range in size from 1,150 to 5,173 square feet of building area. The buildings were built from 1900 to 1940. Two comparables each have a partially finished basement and one building has a concrete slab foundation; two comparables each have central air-conditioning; one comparable has a fireplace; and one comparable has a detached 576-square foot garage. The comparables sold in March and April 2019 for prices ranging from \$30,000 to \$60,000 or from \$6.67 to \$34.78 per square foot of building area, including land. The appellant also submitted property record cards for the subject and each comparable property along with the Multiple Listing Service (MLS) sheets associated with each comparable sale. Based on this evidence, the appellant requested the subject's total assessment be reduced to \$6,000.¹ The reduced assessment would reflect a market value of \$18,000 or \$3.60 per square foot of building area at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total equalized assessment for the subject of \$13,418. The subject's equalized assessment reflects a market value of \$40,150 or \$8.03 per square foot of building area, land included, when using the 2019 three-year average median level of assessment for St. Clair County of 33.42% as determined by the Illinois Department of Revenue.

In its "Board of Review Notes on Appeal," the board of review offered to stipulate to the removal of the 2019 multiplier of 1.0243 resulting in the reduction of the subject's total assessment to \$13,100.

¹ The appellant also requested a reduction in land assessment but did not provide any supporting evidence of market value with respect to the land. The Board will therefore analyze this case based on the market value of the land and improvement combined. See *Showplace Theatre Company v. Property Tax Appeal Board*, 145 Ill App 3d. 774 (2nd Dist. 1986).

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In rebuttal, counsel for the appellant submitted a brief rejecting the board of review's offer contending that the removal of the multiplier "...does not reduce the assessed value." In addition, appellant's counsel argued that the board of review did not submit any comparable sales or any other evidence in support of the assessment, unlike the appellant who submitted comparable sales as evidence of market value.

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 that a reduction in the subject's assessment is warranted.

The only evidence of overall market value in the record are three comparable sales submitted by the appellant, only one of which is similar to the subject property in design, age, building size, foundation, and central air-conditioning feature. The Board gave less weight to appellant's comparable #1 based on its older age and partial residential design, as well as having a basement and a garage, both of which the subject property lacks. The Board also gave reduced weight to appellant's comparable #3 based on its location being 9.5 miles distant from the subject, as well as its smaller building size of 1,150 square feet of building area and a finished basement compared to the subject's 5,000-square foot building area and a concrete slab foundation. The three comparable sales in the record sold in March and April 2019 for prices ranging from \$30,000 to \$60,000 or from \$6.67 to \$34.78 per square foot of building area, including land. The subject's equalized assessment reflects a market value of \$40,150 or \$8.03 per square foot of building area, including land, which is within the range established by the only comparable sales in this record. The subject's estimated market value appears to be well-supported by appellant's comparable #2 which is most similar in design, age, building size, foundation, and central air-conditioning feature and presented a recent sale price of \$60,000 or \$11.60 per square foot of building area, including land. However, as the board of review offered to stipulate to the removal of the 2019 multiplier of 1.0243 resulting in the reduction of the subject's total assessment to \$13,100 which would reflect a market value of approximately \$39,304 or \$7.86 per square foot of building area, land included, the Board finds that a reduction in the subject's assessment consistent with the recommendation of the board of review is appropriate.

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APPELLANT:	Carl Macuiba
DOCKET NUMBER:	18-02487.001-C-1
DATE DECIDED:	May 2021
COUNTY:	Lake
RESULT:	No Change

The subject property consists of a two-story, ten-unit, residential apartment building of brick construction with 5,256 square feet of building area. The building was constructed in 1950. Each apartment has one bedroom. The property has a 13,574 square foot site and is located in Waukegan, Waukegan Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on seven comparable sales improved with 2-story or 2.5-story residential apartment buildings of brick exterior construction ranging in size from 4,898 to 6,612 square feet of building area. Each comparable has six units with comparables #1, #2 and #5 each having exclusively two-bedroom units while the remaining comparables have a mix of one-bedroom units and two-bedroom units. The buildings were constructed from 1960 to 2003. These properties are located in Waukegan and have sites ranging in size from 7,633 to 11,754 square foot of land area. The sales occurred from April 2017 to August 2018 for prices ranging from \$330,000 to \$390,000 or from \$57.82 to \$71.02 per square foot of building area, including land. The appellant requested the subject's assessment be reduced to \$114,412, which reflects a market value of approximately of \$343,270 or \$65.30 per square foot of building area when applying the statutory level of assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$145,982. The subject's assessment reflects a market value of \$441,300 or \$83.96 per square foot of building area and \$44,130 per unit, land included, when using the 2018 three-year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on the same seven comparable sales presented by the appellant. The board of review contends the appellant's comparable sales have prices ranging from \$55,000 to \$65,000 per apartment unit, which is the unit of comparison typically used by buyers and sellers of properties like the subject property. The board of review contends the comparable sales provided by the appellant support 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

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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 provided seven comparable sales of apartment buildings to support the overvaluation argument. Each of the comparables has six units, fewer than the subject's ten units. Additionally, the subject apartment building is composed of one-bedroom units whereas the comparables are composed of a mix of one-bedroom and two-bedroom units or exclusively of two-bedroom units. As a final point, each of the comparables is newer than the subject building. The evidence provided by the appellant tends to support that the more appropriate unit of comparison is on an apartment unit basis as the range of price per apartment is lower on a percentage basis than when using a price per square foot of building area as the unit of comparison. These comparables sold for prices ranging from \$55,000 to \$65,000 per apartment, including land. The subject's assessment reflects a market value of \$44,130 per apartment, including land, which is below the range established by the comparable sales in this record. The Board finds the subject's lower unit value is supported given the building's older age and one-bedroom apartment configuration in relation to the comparables. Based on this evidence the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	James Alex McGehee
DOCKET NUMBER:	19-02148.001-C-1 thru 19-02148.002-C-1
DATE DECIDED:	April 2021
COUNTY:	Rock Island
RESULT:	Reduction

The subject property consists of a two-story building of concrete block and brick exterior construction built in 1930 which was formerly utilized and known as the Old City Hall Building. The building contains 7,696 square feet of building area with a basement.¹ The building has central air conditioning. First floor features include offices, old jail cells, restrooms and second floor features include two large rooms, a kitchen, office, and restrooms. A 204 square foot one-story side addition covers a stairwell to the basement. The original building includes a fire department garage addition of 1,692 square feet of building area. The two parcels have a combined 17,600 square foot site with the vacant parcel used as a parking lot. The property is located in Silvis, Hampton Township, Rock Island County.

The appellant's appeal is based on overvaluation. In support of this argument, the appellant completed Section IV – Recent Sale Data of the Commercial Appeal petition along with a brief and supporting documentation. In the petition, the appellant reports the subject property, consisting of two parcels, were purchased on or about September 27, 2018 from the City of Silvis for a price of \$88,000 or \$9.17 per square foot of building area, including land. The appellant further noted the property was not advertised for sale and was not sold due to a foreclosure action. The appellant also reported that possession of the property was to occur on the closing date but was delayed "in part because Silvis Fire Department still occupies part of the premises."

As documentary support for the sale, the appellant provided Exhibit A, a copy of the Municipal Warranty Deed depicting the transfer of the property from the City of Silvis, a Municipal Corporation, to the appellant dated December 29, 2017 but recorded on September 27, 2018. Also provided was a copy of the Closing Statement reiterating the purchase date of September 25, 2018 and the price. Furthermore, the appellant submitted Exhibit B, a copy of the PTAX-203 Illinois Real Estate Transfer Declaration (RETD) recorded September 27, 2018. The RETD reiterates the sale date and price along with the assertions that the property was transferred by Warranty Deed and the property was not advertised prior to the sale. The seller displayed on the RETD is the City of Silvis, signed by the City Clerk, and the buyer is the appellant.

The appellant's submission also includes an eight-page brief with citations to the Property Tax Code provision concerning fair cash value and case law concerning court interpretations of fair cash value. In support of judicial interpretations of "fair cash value," the appellant submitted an Affidavit completed by Matt Carter, Mayor of the City of Silvis, averring, in part, that several years ago, the City of Silvis decided to build a new City Hall at a new location. The subject property, the old City Hall Building, was vacant for a substantial period of time since the city occupied the new City Hall Building. The only exception to total vacancy was a portion of the old

¹ The board of review alternately reported the basement contains 400 square feet and 4,000 square feet.

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building that continued to be occupied by the Silvis Fire Department. The mayor further averred that in 2017, the city began discussions with the appellant for the sale and purchase of the subject property. The transaction was completed on September 27, 2018 for the cash purchase price of \$88,000. At paragraph 6 of the Affidavit, the mayor stated:

The City of Silvis, Illinois, was a willing Seller in the sales transaction to James Alex McGehee, and the City of Silvis was under no duress or compulsion to sell the property to James Alex McGehee. This is an unequivocal statement, and, Affiant states that the City of Silvis, Illinois, was a willing Seller in said transaction, and chose to sell the property to James Alex McGehee, as its own independent business decision, without compulsion or duress of any kind.

The mayor further averred the parties to the sale were not related in any manner and "the City of Silvis has no kindred or sanguine relationship with James Alex McGehee." In conclusion in the affidavit, Carter stated the subject property was sold to the appellant "in the due course of business, not under duress, and as a willing Seller."

Based on the foregoing evidence and argument, the appellant requested a total assessment for the two parcels of \$29,333 or a "one-third" assessment, which would approximately reflect the purchase price of \$88,000.

The board of review submitted two sets of "Board of Review Notes on Appeal." The appellant supplied copies of the two Final Decisions issued by the Rock Island County Board of Review for tax year 2019 disclosing the total assessment for the subject parcels of \$31,663. The subject's total assessment reflects a market value of \$95,027 or \$9.91 per square foot of building area, land included, when using the 2019 three-year average median level of assessment for Rock Island County of 33.32% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a detailed four-page letter outlining the evidence and its position. The board of review contends that since the subject property was not advertised for sale in the open market, the subject's sale price "does not meet the definition of 'due course of business and trade'" to qualify as depicting fair cash value. In further support, the board of review submitted Exhibit 2, a copy of the affidavit of the mayor of the city of Silvis (see above) and arguing the mayor does not claim the property was "listed for sale to the general public." The board of review further contends, without documentary support and based upon "evidence obtained after the hearing," that the appellant was the only person contacted by the city to inquire about purchasing the subject property.

The board of review also submitted a three-page letter prepared by Larry Wilson, Rock Island County Supervisor of Assessments and Clerk to the Board of Review. Wilson summarized various provisions of the Property Tax Code concerning the assessment of real property in Illinois and applicable case law along with Property Tax Appeal Board procedural rules related to an overvaluation appeal.

Wilson then stated, "The [board of review] requests that the PTAB also consider the Uniform Standards of Professional Appraisal Practice definition of market value" as:

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The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Wilson further argued that implicit in the foregoing definition was the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions where the buyer and seller were typically motivated; both parties were well informed or well advised and acting in what they consider their own best interest; a reasonable time was allowed for exposure in the open market; payment was made in cash or comparable arrangement; and the price represents normal consideration for the property sold unaffected by special or creative financing or sales concessions.

Additionally, the board of review submitted a letter prepared by the Hampton Township Assessor's Office dated prior to the filing of the instant appeal and which was directed to the Rock Island County Board of Review. In the letter signed by township assessor Andrea J. Pancrazio, she wrote in pertinent part "we do dispute that the city in its best interest would want to sell the properties." The assessor further contended that several factors concerning the subject's sale transaction "would exclude it from use in the sales ratio studies" and provided further support for that conclusion.

Next, Pancrazio wrote that the subject's original valuation was re-examined "due to the state of the building in its current condition that the cost table for a Shell Storage Building (14/35 454) would more appropriately reflect the current use." As a consequence of the building cost tables and application of depreciation, the township assessor indicated a proposed total stipulation for the subject property of \$34,160. The assessor concluded her letter with the observation that once the subject building has been rehabilitated that changes its occupancy or use, those facts may trigger use of a different cost table in the future by the assessor for valuation purposes.

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales located from .9 of a mile to 7 miles from the subject property in the communities of either East Moline or Moline along with accompanying property record cards. Comparable #1 is described as a warehouse and the property record card indicates the use is "Building Contractor." Comparable #2 is described as a shop and the property record card indicates use as "Retail-Misc." Comparable #3 is described as retail/apartments with a business downstairs and three apartments upstairs. Comparable #4 is described as tavern/apartments with a restaurant and four apartments according to the property record card. The comparables have lots ranging in size from 2,244 to 9,779 square feet of land area and were improved with either one-story or two-story buildings of concrete block and masonry exterior construction. The comparables were built between 1900 and 1940 and range in size from 3,132 to 17,648 square feet of building area. Comparable #4 has a partial basement and comparables #2, #3 and #4 are each described as having one-bedroom, two-bedrooms, and eight-bedrooms, respectively. Comparables #1 and #4 each have central air conditioning. The comparables sold from July 2016 to January 2020 for prices ranging from \$72,000 to \$220,000 or from \$12.47 to \$26.73 per square foot of building area, including land.

Based on the foregoing evidence and argument, the board of review proposed and requested an increase in the total assessment of the subject parcels. As set forth by the board of review, the

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proposed new total assessment for the subject should be \$34,160, which would reflect a market value of \$102,521 or \$10.69 per square foot of building area, including land.

In written rebuttal, the appellant counsel reiterated the contention that case law established by the Illinois Supreme Court supports the proposition that fair market value for real estate is what the property would bring at a voluntary sale, where the owner is ready and willing to sell but not compelled to do so, and where the buyer is ready and willing to buy, but not forced to do so. People ex rel. Rhodes v. Turk, 391 Ill. 424, 63 N.E.2d 513 (1945). The appellant further argued that there has been no Illinois Supreme Court case mandating that a property be advertised in order for a recent sale to be determined to be reflective of fair market value.

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. Contrary to the request of the board of review, an increase in the subject's assessment has not been supported on this record.

The Property Tax Appeal Board is to determine the correct assessment of any parcel of real property which is the subject of an appeal, based upon the facts, evidence, exhibits and briefs submitted to or elicited by the Board. 86 Ill.Admin.Code §1910.10(b). The Board is to make a decision in each appeal or case appealed to it, the decision shall be based upon equity and the weight of evidence . . . and shall be binding upon the appellant and officials of government. 35 ILCS 200/16-185. The Property Tax Appeal Board is not to afford *prima facie* correctness to the decision of the board of review. Western Illinois Power Co-op. v. Property Tax Appeal Board, 29 Ill.App.3d 16, 23 (4th Dist. 1975). A taxpayer seeking review before the Property Tax Appeal Board from a decision of the board of review does not have the burden of overcoming any presumption that the assessed value was correct. Mead v. Board of Review of McHenry County, 143 Ill.App.3d 1088, 1094 (2nd Dist. 1986).

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). The Board gives little weight to the assessor's argument concerning the inability to use the sale of the subject property within the sales ratio study performed by the assessing officials due to the fact the subject property was not advertised. The manner in which an assessing official arrives at an assessment determination is a different process than the question on appeal whether the assessment of the subject property is appropriately reflective of market value. Additionally, the Board has placed little relevance upon the assessor's efforts to develop a cost approach for the subject property. The courts have stated that where there is credible sales evidence the sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill. App. 3d 207 (2nd Dist. 1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. Furthermore, in Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill. App. 3d 9 (5th Dist. 1989), the court held that of the three primary

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methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach.

The issue before the Property Tax Appeal Board is the determination of the market value for the subject property as of January 1, 2019, for *ad valorem* tax purpose. The appellant submitted evidence of the subject's 2018 purchase price when seeking a decrease in the subject's assessment whereas the board of review submitted four suggested comparable sales along with additional arguments in seeking an increase in the assessment of the subject property.

The Board has given little weight to the four suggested comparable sales presented by the board of review as the properties are dissimilar to the subject in location, land area, design, building size, foundation and/or use when compared to the subject, a former old City Hall structure. Comparable #1, a warehouse, is dissimilar in building size and a 2016 sale for purposes of valuation as of January 1, 2019 is somewhat dated. Comparables #2 and #3 differ in lot size, story height, building size and use. Comparable #4 differs from the subject in use as a tavern and apartments.

The Board finds the best evidence of market value to be the purchase of the subject property in 2018 for a price of \$88,000, including land. The Board finds the board of review presented insufficient evidence to challenge the arm's-length nature of the transaction or to refute the contention that the purchase price was reflective of market value. Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50). The Supreme Court of Illinois has construed "fair cash value" to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced to do so. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970). A contemporaneous sale between two parties dealing at arm's-length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). Furthermore, section 1-50 of the Property Tax Code defines fair cash value as:

The amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller. (35 ILCS 200/1-50)

Additionally, the board of review's request to apply the definition of market value as utilized within the Uniform Standards of Professional Appraisal Practice (USPAP) is not supported by the Property Tax Code and/or by the existing Illinois case law.

Even though the subject property may not have been advertised, the evidence in this record indicates the subject's sale transaction was a voluntary sale, where the seller, the city of Silvis, as shown by the affidavit of the mayor, was ready, willing, and able to sell but not compelled to do so, and the buyer, the appellant, was apparently ready, willing and able to buy but not forced to do so. The board of review did not establish otherwise as to either the seller or the buyer. Furthermore, the Board finds that the township assessor's opinion that it was not in the "best

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interest" for the City of Silvis to want to sell a long-vacant former City Hall Building lacks any factual support.

In conclusion, the Board finds the purchase price of \$88,000 is below the market value reflected by the assessment of \$95,027. Based on this record, the Board finds the subject property had a market value of \$88,000 as of January 1, 2019. Since market value has been determined the 2019 three-year average median level of assessment for Rock Island County of 33.32% shall apply. 86 Ill.Admin.Code §1910.50(c)(1).

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APPELLANT:	Dan O'Donnell
DOCKET NUMBER:	18-00277.001-C-1
DATE DECIDED:	May 2021
COUNTY:	Lake
RESULT:	Reduction

The subject property consists of a 63,598 square foot site, zoned LI - Limited Industry by the City of Grayslake. The site is slightly irregular in shape and has 234 feet of frontage along Ivanhoe Road in Grayslake. The property is improved with a one-story dwelling of frame construction with 1,072 square feet of living area. The home was constructed in 1928 and has a full basement. The property is located in Avon Township, Lake 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 \$275,000 as of January 1, 2018. The appraisal was prepared by William P. Neberieza, an Illinois Certified General Appraiser.

The purpose of the appraisal was to estimate the market value of the subject property in fee simple interest as of January 1, 2018. In the letter of transmittal, the appraiser explained that since the majority of the market value of the subject property is represented by the land value, the property was being appraised as vacant land, with the residential building amount as reported by the Avon Township Assessor, added to the appraised value of the subject site.

The appraiser determined that the subject area is supportive of both existing and future development in the vicinity of the subject property. (Appraisal p. 6.) The appraiser also concluded the highest and best use of the subject site as vacant is for industrial use consistent with the current zoning requirements. (Appraisal p. 10.)

In estimating the market value of the subject land, the appraiser used four vacant land sales located in Round Lake, Mundelein and Lake Barrington that range in size from 40,635 to 103,366 square feet of land area. The appraiser indicated that each comparable was zoned industrial use. The sales occurred from April 2015 to March 2018 for prices ranging from \$69,706 to \$200,000 or from \$.84 to \$3.69 per square foot of land area. The appraiser indicated in the report that prices for industrial zoned land and in the vicinity of the subject property have been decreasing over time although none of the sales needed an adjustment for time. (Appraisal pp. 13 & 14.) The appraiser made no adjustments to the comparables for physical characteristics, location, zoning, or visibility. (Appraisal p. 14.) The appraiser made a downward adjustment to comparable sale #3 for size, being smaller than the subject site. Using these sales, the appraiser arrived at an estimated site value of \$2.50 per square foot of land area or \$158,995. To this value the appraiser added \$107,646 for the residence based on the value placed on the improvement by the township assessor to arrive at a total market value of \$275,000, rounded.

The appellant requested the subject's assessment be reduced to \$91,657 to reflect the appraised value debased by the statutory level of assessment.

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The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$169,488. The subject's assessment reflects a total market value of \$512,358 or \$8.06 per square foot of land area, including the improvement, when using the 2018 three-year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue. The subject has a land assessment of \$133,606 reflecting a market value of \$403,888 or \$6.35 per square foot of land area when using the 2018 three-year average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted a copy of the subject's property record card and a property detail sheet, both generated on April 26, 2019, indicating the subject property had commercial zoning. The board of review submission also included a copy of an aerial photograph and a zoning map. The zoning map appears to depict the subject in a color code of light blue indicating an LI – Limited Industrial zoning.

In support of the assessment the board of review submitted information on six comparable sales with sites ranging in size from 29,700 to 213,762 square feet of land area. The comparables are located in Grayslake, Round Lake, Round Lake Beach and Lake Villa. The information provided by the board of review indicates that each property is zoned commercial. The sales occurred from June 2014 to April 2019 for prices ranging from \$285,000 to \$2,440,946 or from \$7.46 to \$12.18 per square foot of land area. The board of review requested the assessment be sustained.

In rebuttal the board of review asserted that none of the appellant's appraiser's comparables are from the Grayslake market area; none were similar to the subject in size, location and appeal; comparable #1 is located within an industrial park near unincorporated and residential districts with inferior highway access; comparable #2 is located adjacent to rail lines in an unincorporated area; comparable #3 is a foreclosure/REO and is currently on the market for a price of \$299,900 as per the listing provided by the board of review; and comparable #4 was not advertised and part of a multi-property sale.

In rebuttal the appellant's appraiser asserted that the selection of comparables was based on the Grayslake zoning of the subject parcel as Limited Industrial (LI) which states, "This industrial zone is established to provide areas for industrial, office, and administrative uses, having few, if any adverse effects on neighboring properties." The appraiser went on to state that, "We realize the comparable sales utilized in our appraisal have some limitations but after searching the local MLS, MRED and our appraisal files we found that these comparable sales are the best available to apply to the subject parcel per the current limited industrial zoning."

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.

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The Board finds the best evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$275,000 as of the assessment date. The appraiser reported the subject property was zoned LI – Limited Industrial (which matches the nomenclature on the Zoning Classification Village of Grayslake submitted by the board of review). The sales analyzed by the appellant's appraiser were all zoned industrial and would have a similar highest and best use as the subject property. The zoning conclusion presented in the appraisal is supported by the zoning map contained in the evidence submitted by the board of review. Conversely, the comparable sales provided by the board of review are zoned commercial and would arguably have a different, and possibly a more intensive, highest and best use than the subject property. Therefore, the Property Tax Appeal Board gives less weight to the comparable sales provided by the board of review. The subject's assessment reflects a market value of \$512,358, which is above the appraised value presented by the appellant. Based on this evidence the Board finds a reduction in the subject's assessment is warranted to reflect the appraised value.

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APPELLANT:	<u>Springfield Farm & Home Supply Company, Inc.</u>
DOCKET NUMBER:	<u>18-05672.001-I-2</u>
DATE DECIDED:	<u>December 2021</u>
COUNTY:	<u>Sangamon</u>
RESULT:	<u>Reduction</u>

(Please note: this property was filed as an industrial appeal but deals with a retail commercial building.)

The subject property consists of a stand-alone commercial (“big box”) retail building of metal exterior construction containing 80,856 square feet of building area. The building was constructed in 1987. The building is located on a site containing 340,204 square feet (7.81 acres) of land area. The site has asphalt surfaced parking spaces for approximately 360 vehicles along with sidewalks, concrete slabs, exterior lighting, signage and landscaping. The property is located in Springfield, Capital Township, Sangamon 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 \$2,600,000 as of January 1, 2017. The appellant’s appeal petition under "2c" indicates the subject has a total 2018 final assessment of \$1,345,448. The subject's assessment reflects a market value of \$4,039,171 or \$49.96 per square foot of building area, land included, when using the 2018 three-year average median level of assessment for Sangamon County of 33.31% as determined by the Illinois Department of Revenue

The board of review did not timely submit its “Board of Review Notes on Appeal” or timely submit any evidence in support of its assessed valuation of the subject property.

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 only timely evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$2,600,000 as of January 1, 2017. The Board finds the subject's assessment reflects a market of \$4,039,171, which is greater than the appraised value presented by the appellant. The board of review did not timely submit any evidence in support of its assessment of the subject property or to refute the appellant's argument as required by section 1910.40(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code §1910.40(a)). Therefore, the board of review was found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code

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§1910.69(a)). Based on this record, the Board finds a reduction in the subject's assessment commensurate with the appellant's request is warranted.

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APPELLANT:	The King Realty Company
DOCKET NUMBER:	17-31951.001-C-2
DATE DECIDED:	June 2021
COUNTY:	Cook
RESULT:	Reduction

The subject property consists of a 189,683 square foot parcel of land improved with a 56-year-old, part one and part two-story, masonry, commercial strip mall building containing 46,823 square feet building area. The property is located in Oak Lawn, Worth Township, Cook County and is classified as a class 5 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal estimating the subject's market value as of January 1, 2017 to be \$1,860,000. The appraiser utilized the income and sales comparison approaches in arriving at the estimate of value.

In the sales comparison approach, the appraiser analyzed five one-story, masonry, retail, strip mall buildings. These properties range in age from 15 to 55 years, in size from 7,600 to 23,335 square feet of building area; and in land-to-building ratio from .78:1 to 4.75:1. These properties sold from February 2014 to January 2017 for prices ranging from \$28.20 to \$68.57 per square foot of building area. After making adjustments for pertinent factors, the appraiser arrived at an estimate of value of \$40.00 per square foot of building area or \$1,870,000, rounded.

In determining the value under the income approach, the appraiser analyzed the five commercial strip centers. These properties ranged in rental size from 750 to 5,400 square feet of building area and have rental rates from \$8.83 to \$18.00 per square foot of rental area on a gross or net basis. The appraiser also reviewed the subject's historical rent. The appraiser estimated a rental rate for the subject at \$15.00 per square foot of building area which resulted in a potential gross income of (PGI) \$599,155. Vacancy and collection loss were estimated at 17.5% for an effective net income (EGI) of \$494,270. Expenses were estimated at \$140,068 for an estimated net operating income (NOI) of \$354,202.

In determining the appropriate capitalization (CAP) rate, the appraisers analyzed survey and publication data and employed the band of investment methodology to develop an overall CAP rate of 9%. This CAP rate was then loaded for a rate of 9.05%. This rate was then loaded to 19.5% to account for real estate taxes. The NOI was divided by this rate to estimate the market value for the subject under this approach at \$1,860,000, rounded.

In reconciling the approaches to value, the sales comparison approach was given significant consideration while the income approach to value was given primary consideration to arrive at an estimate of value for the subject as of January 1, 2017 of \$1,860,000.

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The subject's total assessment is \$605,793 which reflects a market value of \$2,423,172 using the Cook County Real Estate Classification Ordinance level of assessment for class 5 property of 25%.

The board of review did not timely submit its "Board of Review Notes on Appeal" or any evidence in support of its assessed valuation of the subject property.

In support of the subject's assessment, the intervenor submitted raw sales data on five retail, strip mall buildings. These properties range in age from 28 to 66 years and in size from 22,250 to 93,279 square feet of building area. These properties sold from March 2014 to January 2017 for prices ranging from \$55.10 to \$137.08 per square foot of building area. The intervenor did not request a hearing.

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 best evidence of market value to be the appraisal submitted by the appellant. The subject's assessment reflects a market value above the best evidence of market value in the record. The appellant's appraiser utilized the income and sales comparison approaches to value in determining the subject's market value. The Board finds this appraisal to be persuasive because the appraiser personally inspected the subject property, reviewed the property's history, and used similar properties in the sales comparison approach while providing adjustments that were necessary. Therefore, the Board finds the appellant's requests of a reduction to \$505,794 to provide an equitable and uniform assessment supported by the evidence and a reduction to this assessment warranted.

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APPELLANT:	Unit 100 Courthouse Square Office LLC
DOCKET NUMBER:	18-04339.001-C-2 thru 18-04339.002-C-2
DATE DECIDED:	May 2021
COUNTY:	DuPage
RESULT:	Reduction

The subject parcels consist of two office condominium units located within a three-story building of masonry exterior construction. Unit #100, identified as parcel number 05-16-341-001 (parcel 1), contains 1,572 square feet of building area. It is located on the first floor of the subject condominium building and consists of several private offices, open office space, a conference room, a kitchenette, and restrooms. Unit #200, identified as parcel number 05-16-341-002 (parcel 2), contains 4,079 square feet of building area. It is located on the second and third floors of the subject condominium building and features several private offices, open office space, conference rooms, a kitchenette, restrooms and additional office/storage and conference space. The building was constructed in 1937 and contains a total of approximately 10,000 square feet of building area. Additional amenities of the condominium building include common areas shared by all units of the Courthouse Square Community Association which includes a fitness center, an elevator, on-site parking, and an outdoor swimming pool. The office condominium building has a 4,792 square foot lot and is located in Wheaton, Milton Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. A hearing was held before the Property Tax Appeal Board via video conferencing technology. Appearing before the Property Tax Appeal Board on behalf of the appellant was its attorney, Gregory Earl. A representative for each of the parties and the board of review witness appeared for the proceeding remotely via the use of the WebEx virtual platform pursuant to notice from the Property Tax Appeal Board. Neither party objected to the virtual hearing format.

In support of the overvaluation argument, the appellant submitted an appraisal report of the subject parcels prepared by Kenneth Polach, a State of Illinois Certified General Real Estate Appraiser. The purpose of the appraisal assignment was to provide an opinion of market value of the subject parcels as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The interest valued was the fee simple estate. The final conclusion was that as of January 1, 2018, Unit #100 (parcel 1) had a market value of \$255,000 or approximately \$162.00 per square foot of building area, and Unit #200 (parcel 2) had a market value of \$620,000 or approximately \$152.00 per square foot of building area.

Mr. Polach determined the highest and best use of the property as improved was continued use as an office condominium. In estimating the market value of the subject property, the income approach and the sales comparison approach to value were developed.

Under the income approach to value, the appraiser utilized the direct capitalization method to convert an estimate of yearly income expectancy into an indication of market value. In doing so, the appraiser analyzed five comparable leases for unit #100 (parcel 1) and additional six comparable leases for unit #200 (parcel 2) and arrived at a potential annual gross rental income for

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unit #100 of \$36,156 and for unit #200 of \$85,659. Next, after researching data provided by CoStar, Realty Rates.com, and Savills-Studley report, the appraiser deducted 15% for vacancy and collection losses for each unit and arrived at an Effective Gross Income (EGI) of \$30,733 for unit #100 and \$72,810 for unit #200. The appraiser then deducted from the EGI typical operating expenses for each unit, i.e., insurance costs, management fees, reserves for replacement of short-lived items such as appliances, and association fees to arrive at a Net Operating Income (NOI) of \$27,045 for unit #100 and \$64,073 for unit #200. The NOI then needed to be capitalized at an appropriate rate to arrive at a market value for each unit. To do this, Mr. Polach utilized RealtyRates.com Investor Survey to obtain average capitalization rates for office condominiums in the subject's market area and arrived at the overall capitalization rate of 8.00%. In addition, Mr. Polach calculated the effective tax rate of 2.47% for each of the subject parcels utilizing the township equalization factor and the local tax rate to arrive at the final capitalization rate of 10.47% for each unit. Finally, dividing the NOI for each unit by the capitalization rate, Mr. Polach arrived at a market value of \$260,000 for unit #100 and \$610,000 for unit #200, rounded, under the income approach to value.

Under the sales comparison approach to value, Mr. Polach analyzed five comparable sales for unit #100 and four additional comparable sales for unit #200. Unit #100 comparables were located in Wheaton or Lombard. Each comparable for unit #100 was an office condominium with varying degree of similarity in size, condition, age, and features. The comparables for unit #100 ranged in size from 1,248 to 2,632 square feet of building area. The comparables sold from June 2015 to June 2017 for prices ranging from \$93,500 to \$400,000 or from \$74.92 to \$160.38 per square foot of building area, including land. The appraiser made adjustments for factors such as size, age, utility, location, and condition. The appraiser estimated unit #100 had an indicated value under the sales comparison approach of \$250,000 or \$159.03 per square foot of building area, including land.

As to unit #200, the appraiser utilized four comparable sales located in Wheaton, Lisle, and Naperville. Each of the comparables for unit #200 was an office condominium with varying degree of similarity in size, condition, age, and features. These comparables ranged in size from 3,080 to 5,707 square feet of building area. The comparables sold from May 2015 to September 2017 for prices ranging from \$356,000 to \$900,000 or from \$115.58 to \$166.32 per square foot of building area, including land. After making adjustments for size, age, utility, location, condition, and amenities, the appraiser estimated unit #200 had an indicated value under the sales comparison approach of \$625,000 or \$153.22 per square foot of building area, including land.

In reconciling the two approaches to value, Mr. Polach arrived at a market value of \$255,000 or \$162.21 per square foot of building area, including land, for unit #100, and a market value of \$620,000 or \$152.00 per square foot of building area, including land, for unit #200.

In further support of the overvaluation claim, the appellant called as its witness Kenneth Polach, a State of Illinois Certified General Real Estate Appraiser, designated as an MAI by the Appraisal Institute. Mr. Polach testified that he has been appraising real estate for over 50 years. Mr. Polach affirmed that he conducted an inspection of the property as well as researched factors such as zoning, tax assessments, lease information, and sales and listings of similar properties in the subject's area. Mr. Polach stated that he is very familiar with office condominium market in Wheaton area being an owner of an office condominium in Wheaton for more than 20 years. Mr.

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Polach opined that the subject parcels are unique in that they are part of a mixed-use building which includes a community center used primarily by the adjoining residential property owners. The building containing the subject parcels also contains other office units as well as residential units. Mr. Polach also opined that as businesses transition to remote meetings using video conferencing technology, the need for upscale large conference rooms is in decline as evidenced by more than 20 listings for similar properties as the subject within the Wheaton area. Furthermore, parcel 2 which occupies second and third floors is not ADA compliant as the elevator only reaches the second floor; the third-floor area is mainly used for storage thus making this unit less desirable. Mr. Polach noted that his own office condominium in Wheaton has been on the market for two years at the asking price below what he paid for it underscoring the lack of demand for this type of property in the Wheaton area. Mr. Polach opined that based on his data, experience and research, unit #100 had a value of \$255,000 and unit #200 had a value of \$620,000.

Under cross-examination, Mr. Polach affirmed that this is somewhat a unique property in that it has approximately 4,300 square feet of common area in the building alone with additional common amenities such as an exercise room and outdoor swimming pool which is not typical for an office condominium. However, these common area amenities add very little to the overall value of the office units as they are mostly there for use by the residential unit property owners.

Based on this evidence and testimony, the appellant requested a reduction in the assessment for each of the two subject parcels to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for unit #100 (parcel 1) of \$115,820. The subject's assessment reflects a market value of \$348,017 or \$221.38 per square foot of building area, land included, when using the 2018 three-year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue. As to unit #200, (parcel 2), the Property Tax Appeal Board entered an order dated April 16, 2020 granting the appellant's request to add parcel 2 to the appeal and re-notified DuPage County Board of Review of the appeal by letter dated June 4, 2020. The DuPage County Board of Review did not submit its "Board of Review Notes on Appeal" or any additional evidence in support of its assessed valuation of parcel 2.

In support of its contention of the correct assessment of parcel 1, the board of review submitted "Milton Township Commercial Property Assessment Worksheet" consisting of a one-page document containing limited information on six comparable office condominiums and a summarized "income approach to value" data sheet. The board of review sales grid analysis does not include data such as age, condition, features, lease terms, utility (use), or building size for five of the six comparable properties. In addition, the board of review submitted commercial property information sheets on three office condominiums located in Downers Grove, Warrenville, and Westmont. However, only one property information sheet matched one of the properties in the sales comparison grid; one property sheet depicted a different sale date and sale price than the information depicted in the grid for that same property; and the third property information sheet was not listed in the board of review's grid analysis.

The board of review called as its witness Annette Rigali, Commercial Deputy Assessor for Milton Township. Ms. Rigali testified that she prepared the "Milton Township Commercial Property Assessment Worksheet." Ms. Rigali stated that the six comparable properties were similar to the

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subject (parcel 1) in location, square footage, and age. Ms. Rigali also opined that the subject property is in a very desirable location and has been renovated and updated. She was not aware of any other office condominiums in the market area which had similar common amenities as the subject. Ms. Rigali confirmed that she did not prepare additional evidence for parcel 2, however, she argued that the evidence would be the same as for parcel 1 in spite of significant difference in the size of the two units because the unit cost per square foot of building area would be the same.

Under cross-examination, Ms. Rigali testified that she conducted a mass assessment rather than an individual assessment of the subject parcel 1. Ms. Rigali also reiterated that both units should be assessed the same price per square foot of building area as they are both in the same building and have the same owner. Based on this evidence and testimony, the board of review requested a confirmation of the assessment for both parcels.

Conclusion of Law

The appellant contends the market values of the subject parcels are not accurately reflected in their assessed valuations. 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 for each parcel is warranted.

Initially, the Property Tax Appeal Board finds that the board of review did not submit any evidence in support of its assessment for unit #200 (parcel 2) as required by Section 1910.40(a) of the rules of the Property Tax Appeal Board and is found to be in default pursuant to §1910.69(a) of the rules of the Property Tax Appeal Board. 86 Ill.Admin.Code §1910.40(a) & §1910.69(a).

The Board finds the best evidence of market value regarding parcel 1, and the only evidence of market value regarding parcel 2 is the appraisal report submitted by the appellant along with the testimony provided by the appraiser, Kenneth Polach, of Polach Appraisal Group, Inc. The appraiser's value opinion is supported by a well-reasoned appraisal report in addition to his testimony based on personal knowledge of having owned a similar office condominium in the Wheaton area for over 20 years. The appraisal contained two approaches to value to support the market value conclusion. With respect to the income approach to value, the appellant's appraiser detailed his step-by-step process of rental data collection, research of various publications, and utilized direct capitalization method to arrive at the final value conclusion. In contrast, the board of review's income approach consisted of a small portion of a one-page document with filled-in numerical data unsupported by any method(s) utilized to arrive at the stated opinion.

With respect to the sales comparison approach, the appraiser analyzed a total of nine comparable office condominiums. He then made appropriate adjustments to the comparables for office size, age, utility, location, condition, and amenities. In contrast, the board of review provided very limited information on six comparable properties with conflicting data with regards to one of the sales and no consideration for adjustments for differences from the subject parcels. Based on this record, the Board finds the appraisal report prepared by the appellant's appraiser was better supported and more credible than the raw, unadjusted, and unsupported data provided by the board of review. The appellant's appraiser estimated parcel 1 had a market value of \$255,000 or \$162.21

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per square foot of building area, including land, and parcel 2 had a value of \$620,000 or \$152.00 per square foot of building area, including land as of January 1, 2018. The subject's assessment for parcel 1 reflects a market value of \$348,017 or \$221.38 per square foot of building area, land included, and assessment for parcel 2 reflects a market value of \$903,035 or \$221.39 per square foot of building area, land included, which is above the appraised value.

After considering the evidence in the record and the testimony provided at the hearing, the Board finds the best evidence of market value in this record was presented by the appellant. The Board finds that the appellant has demonstrated by a preponderance of the evidence that the subject parcels are overvalued and, therefore, a reduction in the assessment of each parcel is warranted.

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APPELLANT:	Walter Lagestee Inc.
DOCKET NUMBER:	19-00238.001-F-1
DATE DECIDED:	March 2021
COUNTY:	Will
RESULT:	No Change

(Please note: this subject property was filed as a farm appeal as the property includes a portion of land assessed as farmland; however, the primary issue pertains to the market value of the commercial building.)

The subject property consists of a one-story, multi-tenant (5 units) commercial retail building of brick, stucco, and concrete exterior construction with approximately 72,373 square feet of building area. The building was constructed in 1991 and is situated on a parcel containing 1,492,366 square feet (34.26 acres) of land area¹ with a land-to-building ratio (LBR) of 20.62:1. Approximately 44,878 square feet (62%) of the building is owner-occupied. The improvements include at least one central air conditioning and gas-forced heating for each unit. The property is located in Crete, Crete Township, Will County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal report of the subject property prepared by Thomas W. Grogan, MAI, and John T. Setina, III, of Sterling Valuation. The purpose of the appraisal was to estimate the fair cash value of the fee simple estate of the subject property as of January 1, 2019 as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The intended use of the appraisal is for the sole purpose of assisting the client in connection with real estate tax assessment. The final conclusion was that the subject property had a market value of \$1,440,000 or approximately \$20.00 per square foot of building area, including land, as of January 1, 2019.

The appraisers determined the highest and best use of the property as improved was continued use as multi-tenant commercial retail building as it is a) physically possible, b) legally permissible, c) financially feasible, and d) will produce maximum income. In estimating the market value of the subject property, the sales comparison approach and the income capitalization approach to value were developed.

Under the sales comparison approach to value, the appraisers utilized five comparable sales and one comparable listing. The comparables are located in Park Forest, Beecher, Joliet, and Matteson. The properties are improved with one-story or part one-story and part two-story commercial retail buildings of varying exterior construction that ranged in age from 1960 to 2007. Comparable #1 is a single-tenant former grocery store; comparable #2 is a strip center that was sold as a bank-owned real estate (REO); comparable #3 is a two-building, multi-tenant, commercial strip center

¹ Approximately 18.91 acres of the subject's total site is designated and assessed as "farmland" pursuant to Section 10-110 of the Property Tax Code (35 ILCS 200/10-110). The appellant's counsel and appraiser failed to disclose this fact.

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that was sold at an auction sale; comparable #4 is a single-tenant former automobile dealership facility that was an REO sale; comparable #5 is a single-tenant commercial building that was also an REO sale; and comparable #6 is a vacant former Target store that was listed for sale. The comparables range in size from 23,677 to 129,146 square feet of building area and have sites ranging in size from 190,793 to 838,530 square feet of land area which calculates to land-to-building ratios ranging from 3.46:1 to 35.42:1. The five comparable sales occurred from June 2016 to March 2019 for prices ranging from \$402,000 to \$2,000,000 or from \$8.00 to \$27.08 per square foot of building area, including land. Comparable listing #6 listed for \$2,750,000 or for \$21.29 per square foot of building area, including land. The appraisers then made adjustments to the comparables for conditions of sale, i.e., bank-owned real estate (REOs) and auction sale, economic trends (sale dates), building size, age, and land-to-building ratio. The appraisers considered adjustments for location and for single-tenant versus multi-tenant buildings, but concluded that no adjustments for these factors was necessary. Based on the comparable sales data, the appraisers estimated the unit value of the subject property to be approximately \$20.00 per square foot of building area, including land, or market value of \$1,450,000, rounded, under the sales comparison approach to value, as of January 1, 2019.

The appraisers also developed the income capitalization approach to value. Under this approach, the appraisers first estimated the market rental rate for the subject property in order to determine an estimate of the potential gross annual income. In doing this, the appraisers reviewed rental information and leases of office spaces of six rental properties located in Crete, Lockport, Lansing, Braidwood, Beecher, and Peotone which were considered to be in the subject's general market area. The rental comparables ranged in building size from 3,738 to 63,413 square feet of building area or rental size ranging from 1,235 to 20,313 square feet of building area; the "asking rent" or actual rent ranged from \$2.04 to \$12.00 per square foot of building area on a net or modified gross basis.² After adjusting for lease terms/conditions of lease (net or gross), location, age, land-to-building ratio, and size, the appraisers estimated the subject's market rent to be \$3.50 per square foot on a net lease basis for the entire building resulting in a potential gross income of \$243,208. The appraisers then estimated the subject's vacancy and collection loss at 20% of potential gross income or \$48,642 which they determined to be representative of the conditions for commercial properties within the subject submarket as of the date of appraisal. This resulted in an effective gross income of \$194,566 or \$2.80 per square foot of building area. The appraisers then deducted the estimated expenses for management fees (\$6,810 or 3.5%), insurance (\$13,898), and replacement for reserves (\$24,321) which are funds typically held back to pay for the repair or replacement of building components which have long lives, which totaled \$45,029. After subtracting the total operating expenses of \$45,029 from the effective gross income of \$194,566, the appraisers arrived at a net operating income of \$149,537 or \$2.15 per square foot of building area, land included.

The next step in the income approach was to estimate the capitalization rate in order to convert a single year's estimate of income into a market value indication. To obtain the capitalization rate, the appraisers applied direct market comparison technique as well as the band of investment (mortgage and equity) method. The former technique involved the extraction of an overall capitalization rate from recent sales of competitive properties. Under this technique, the appraiser

² The appraisers noted that for rental comparables #1 through #4, only the "asking" lease rates data was available and, therefore, downward adjustments were required due to their lease status.

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calculated the overall capitalization rate by dividing the sale property's net income by its sale price. The appraisers used data from published sources such as PricewaterhouseCoopers (PwC) and RealtyRates.com to estimate the capitalization rate for the subject property of 9.5% under the direct market comparison technique. Applying the latter (band of investment) technique where mortgage rates and equity investment rates are blended together, the appraisers arrived at the blended capitalization rate of 9.34% under the band of investment method. The appraisers placed more weight on the direct capitalization rate technique due to the difficulty in obtaining equity dividend rates and concluded that a 9.5% overall capitalization rate best reflects investors' criteria for the subject property. The appraisers then added the estimated landlord's portion of the tax burden of .88% ($4.41\% \times 20.00\%$) to arrive at the loaded capitalization rate of 10.38%.³ Applying the loaded capitalization rate of 10.38% to the net operating income of \$149,537 resulted in an estimated market value under the income capitalization approach to value of \$1,440,000, rounded, or \$20.72 per square foot of building area, including land, as of January 1, 2019.

In reconciling the two approaches to value, the primary weight was given to the income approach to value due to the fact that this is a multi-tenant facility and the two techniques used to derive the capitalization rate resulted in very similar overall value. The appraisers considered the sales comparison approach to value to be highly reliable as well, as it supported the market value as derived under the income approach.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$479,952 to approximately reflect the appraised value of \$1,440,000, rounded, or \$20.72 per square foot of building area, including land, as of January 1, 2019.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$548,939, which excludes a farmland assessment of \$12,281. The subject's non-farm assessment reflects a market value of \$1,645,007 or \$22.73 per square foot of building area, land included, when using the 2019 three-year average median level of assessment for Will County of 33.37% as determined by the Illinois Department of Revenue.

In reply to the appellant's evidence, the board of review through the township assessor submitted a memorandum critiquing the six comparables utilized by the appellant's appraisers. The assessor argued that three of the appraisers' comparables were located in Cook County which is a different market area; most of the appraisers' comparables were vacant at the time of each sale and, therefore, do not accurately reflect market value of the subject which was 100% occupied as of the assessment date; and a portion of the subject's parcel is designated as "farmland" and is receiving a favorable farmland assessment of \$12,281. Consequently, the assessor contends an increase in the assessment is justified.

In support of its contention of the correct assessment, the board of review submitted property record cards and a grid analysis containing information and data on the subject and three comparable sales located in Frankfort, Bolingbrook and Plainfield. Comparable #1 is a multi-tenant strip mall with reportedly no known vacancies; comparable #2 is also a multi-tenant strip mall that was 67% tenant occupied; and comparable #3 is a four-unit building that is fully tenant-

³ Page 61 and 62 of the appraisal report erroneously depict the loaded capitalization rate of 10.33% due to a calculation error.

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occupied. The comparable parcels range in size from 61,055 to 205,125 square feet of land area with improvements ranging in size from 13,552 to 74,045 square feet of building area and have land-to-building ratios ranging from 1:1 to 3.22:1. The comparables sold from July 2016 to June 2017 for prices ranging from \$605,000 to \$3,500,000 or from \$44.64 to \$50.74 per square foot of building area, including land. Based on this evidence, the board of review requested an increase of the subject's assessment to a total of \$1,140,840.

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 no change in the subject's assessment is warranted.

The appellant submitted for the Board's consideration an appraisal report estimating the subject property had a fair market value of \$1,440,000 or approximately \$20.00 per square foot of building area, including land, as of January 1, 2019. In support of the assessment, the board of review submitted for the Board's consideration information on three raw (unadjusted) comparable sales.

Initially, the Property Tax Appeal Board gave little weight to the appraisal report and the appraisers' final value conclusion. The appraisal contains two approaches to value with each approach developed arriving at a similar market value conclusion. The Board finds that the appraisers utilized three comparables that were located in Cook County which is a different market area from the subject property; the appraisers also utilized a comparable listing and factored the listing into the final value conclusion; comparable sales #1, #4, and #5, along with listing comparable #6 appear to be single-tenant buildings, dissimilar to the subject' multi-tenant design, for which the appraisers made no known adjustments; comparable sales #2, #4, and #5 are each bank-owned real estate (REO) sales and comparable #3 is an auction sale, yet the appraisers made no adjustments for the condition of these sales stating that these sale were included because "they were professionally marketed for a typical amount of time"; in the income approach to value, the appraisers utilized data based on "asking" rents rather than actual rent data and made an error in calculating the capitalization rate; and, finally, when appraising the land value and calculating the land-to-building ratio, the appraisers failed to exclude approximately 18.91 acres of farmland which constitutes approximately half of the subject parcel. Farmland is assessed based on soil productivity indexes and not market value as the remaining portion of the subject parcel. The appraisers did not differentiate between the land uses or make proper adjustments. These factors undermine and detract from the final value conclusion in the appraisers' report. However, the Board will consider each of the parties' comparables in its analysis.

In analyzing the data of the parties' comparables, the Board finds that neither party submitted comparables that are particularly similar to the subject. With respect to the appraisers' comparables, the Board gave reduced weight to the appraisers' comparable sales #1, #4, and #5, along with listing comparable #6, which are each single-tenant buildings, dissimilar to the subject' multi-tenant design. The Board also gave less weight to appraisers' comparable sales #2, #4, and #5 which are each bank-owned real estate (REO) sales, along with comparable #3 which is an

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auction sale. The Board gave no weight to appraisers' comparable listing #6 based on it being a listing as of the subject's assessment date of January 1, 2018, and thus not establishing market value. Finally, the Board gave reduced weight to appraisers' comparable sales #3 and #4 due to their locations in Cook County which is outside of the subject's market area and is assessed under different variables than the subject property.

As to the three comparables submitted by the board of review, the evidence contains very limited information on these three raw (unadjusted) sales, specifically lacking data on terms of the sales, financing, number of units/tenants, and rent data in order for the Board to conduct a meaningful comparison analysis. Furthermore, each of the board of review comparables has a significantly smaller site (excluding the farmland portion of the subject's parcel) and comparables #1 and #2 sold in July and September 2016, respectively, dates less proximate in time to the January 1, 2019 assessment date and therefore less likely to be reflective of subject's market value as of that date.

Based on evidence in record, the Board finds appraisers' comparable sale #1 and the board of review comparable sales to be most similar to the subject in location, building size, age and design. These four best comparables in the record sold from July 2016 to March 2019 for prices ranging from \$605,000 to 3,500,000 or from \$18.59 to \$50.74 per square foot of building area, including land. The subject's assessment, excluding farmland, reflects a market value of \$1,645,007 or \$22.73 per square foot of building area, which falls within the range established by the best comparable sales in the record. After considering necessary adjustments to the comparables for differences from the subject, the Board finds that the subject's assessment is supported and therefore, based on this evidence, the Board finds that no change in the subject's assessment is warranted.

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APPELLANT:	Woodward & Barbara Ann, LLC
DOCKET NUMBER:	18-05777.001-C-2 thru 18-05777.003-C-2
DATE DECIDED:	September 2021
COUNTY:	Kane
RESULT:	No Change

The subject property consists of three vacant parcels of land which total 335,416 square feet of land area. The property is located in St. Charles, St. Charles Township, Kane County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted information on four comparable sales that range in size from 40,511 to 1,424,412 square feet of land area. The comparables sold from October 2015 to March 2017 for prices ranging from \$102,500 to \$3,500,000 or from \$1.09 to \$2.65 per square foot of land area.¹ The appellant also submitted evidence disclosing the subject property was purchased on July 30, 2015 for a price of \$850,000 or \$2.53 per square foot of land area.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$293,333, which reflects a market value of approximately \$880,087 or \$2.62 per square foot of land area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$485,089. The subject's assessment reflects a market value of \$1,454,540 or \$4.34 per square foot of land area, when using the 2018 three-year average median level of assessment for Kane County of 33.35% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on five comparable sales that range in size from 24,049 to 194,147 square feet of land area. The comparables sold from February 2016 to March 2019 for prices ranging from \$200,000 to \$927,153 or from \$4.78 to \$8.49 per square foot of land area. The board of review's evidence included a letter from the St. Charles Township Assessor's Office critiquing the appellant's comparable sales.

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

¹ The appellant's evidence disclosed that comparable #2, which sold in October 2015 for \$3,500,000 or \$2.46 per square foot of land area, sold again on February 10, 2017 for \$2,771,000 or \$1.95 per square foot of land area.

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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 parties submitted a total of nine comparable sales for the Board's consideration. The Board gives less weight to the appellant's comparable sales, as well as the board of review's comparable sales #1 and #4, due to their differences in size when compared to the subject and/or their sale dates occurring greater than 22 months prior to the January 1, 2018 assessment date at issue. The Board finds the board of review's remaining comparable sales are most similar to the subject in location and size. These sales also occurred more proximate in time to the January 1, 2018 assessment date at issue. The best comparables sold from May 2017 to March 2019 for prices ranging from \$825,000 to \$927,153 or from \$4.78 to \$8.49 per square foot of land area. The subject's assessment reflects a market value of \$1,454,540 or \$4.34 per square foot of land area, which is above the range established by the best comparable sales in this record on a total market value basis but below on a per square foot basis. However, after considering adjustments to the best comparables for differences when compared to the subject, such as their smaller sizes, the Board finds the subject's higher overall estimated market value is also supported. The Board gave little weight to the subject's sale, due to the fact the sale did not occur proximate in time to the assessment date at issue. Based on this record, the Board finds a reduction in the subject's assessment is not justified.

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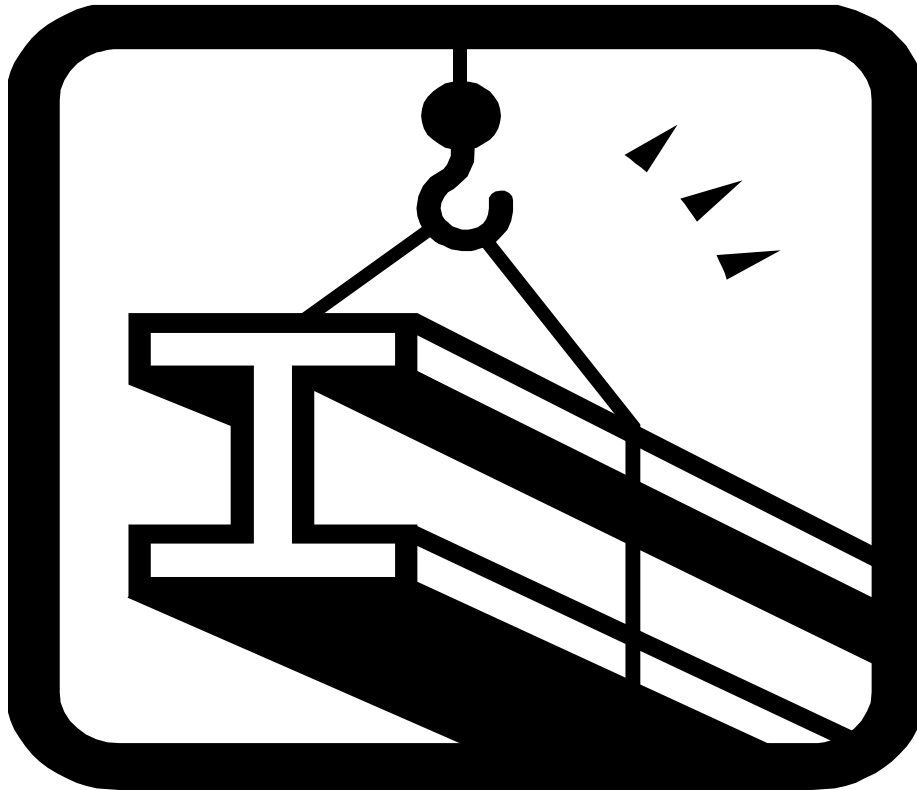
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*[Items Contained in Italics Indicate Arguments
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PROPERTY TAX APPEAL BOARD
SYNOPSIS OF REPRESENTATIVE CASES
2021 INDUSTRIAL DECISIONS



PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
(35 ILCS 200/16-190(a), Illinois Compiled Statutes)
Official Rules - Section 1910.76
Printed by Authority of the State of Illinois

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APPELLANT:	Douglas Adams
DOCKET NUMBER:	18-00403.001-I-1
DATE DECIDED:	July 2021
COUNTY:	Lake
RESULT:	Reduction

The subject property is improved with a 9,569 square foot industrial warehouse building that was built in 1999. The property has a 22,174 square foot site and is located in Grayslake, Avon Township, Lake County.

The appellant contends overvaluation of the land only as the basis of the appeal. In support of this argument the appellant submitted information on three comparable land sales. The parcels range in size from 30,737 to 61,120 square feet of land area. The appellant submitted Multiple Listing Service sheets for comparables #1 and #2 that describe their current uses as either commercial or industrial manufacturing. A data printout for comparable #3 indicates the parcel is zoned R-1. The comparables sold in February or March 2018 for prices ranging from \$22,500 to \$97,000 or from \$.52 to \$2.44 per square foot land area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$127,466. The subject has a land assessment of \$51,240 which reflects a market value of \$154,897 or \$6.99 per square foot of land area when using the 2018 three average median level of assessment for Lake County of 33.08% as determined by the Illinois Department of Revenue.

In response to the appellant's submission, the board of review argued that none of the appellant's comparables are similar to the subject in size, location and appeal. The board of review contended that comparable #1 is an unimproved commercial out-lot that was on the market for 10 years prior to being purchased by an investor; comparable #2 is an unimproved significantly larger site located in an industrial park; and comparable #3 represents a sale of an agricultural site (part of a larger 9.2-acre parcel) adjacent to the school. The board of review stated there were few recent sales in the subject's locale, therefore it provided four property record cards labeled comparables #1 through #4 from the subject's neighborhood which indicates the reasonableness of the subject's assessed fair cash value.¹

In support of its contention of the correct assessment, the board of review submitted information on four non-gridded comparable land sales located in Round Lake, Lake Villa, Libertyville and within a 10-mile radius of the subject. The comparables are unimproved industrial or residential zoned parcels of land each containing 43,560 square feet of land area. The comparables sold from July 2017 to September 2018 for prices ranging from \$97,000 to \$108,000 or from \$2.23 to \$2.48 per square foot of land area. The board of review also submitted property record cards, Illinois Real Estate Transfer Declaration (PTAX-203) forms, Multiple Listing Service sheets and/or

¹ These equity comparables do not address the appellant's overvaluation argument so they will no longer be considered by the Board in this analysis.

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property information sheets for both parties' comparable sales in the record. Based on this evidence, the board of review requested the subject's land assessment be sustained.

Conclusion of Law

The appellant contends the market value of the subject's land 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 evidence in the record supports a reduction in the subject's assessment.

The record contains a total of seven comparable sales of vacant land submitted by the parties, none of which are particularly similar to the subject due to differences in location, size, zoning, and/or utility. Nevertheless, the Board gave less weight to appellant's comparable #1 which is an unimproved commercial out-lot that was on the market for 10 years prior to purchase, appellant's comparable #2 which was a significantly larger unimproved industrial lot, appellant's comparable #3 which was part of a larger 9.2-acre property that was designated as agricultural (farmland) and sold to a taxing district (school), and board of review comparable #4 which was a one-acre residential parcel of land when compared to the subject. The Board finds the best evidence of market value to be the remaining board of review comparable sales which are vacant industrial lots more similar in size to the subject. These three comparables sold in March or September 2018 for prices of \$97,000 and \$104,000 or for \$2.23 and \$2.39 per square foot of land area. The subject's land assessment reflects a market value of \$154,897 or \$6.99 per square foot of land area, which is considerably above the range established by the best comparable sales in this record. The Board recognizes that the subject should have a higher price per square foot when considering economies of scale due to the subject's smaller lot size. After examining the evidence in the record, the Board finds the estimated market value of the subject's land as reflected by its assessment is excessive and a reduction in the subject's assessment is warranted.

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APPELLANT:	Encon Environmental Concepts, Inc.
DOCKET NUMBER:	18-04563.001-I-1
DATE DECIDED:	May 2021
COUNTY:	DuPage
RESULT:	Reduction

The subject property consists of a one-story masonry industrial building with 9,940 square feet of building area. The building was constructed in 1966. Approximately 8% of the building or 840 square feet is office space. The property has a 24,300 square foot site resulting in a land to building ratio of 2.44:1. The property is located in Addison, Addison Township, DuPage County.

The appellant appeared before the Property Tax Appeal Board through counsel contending overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on 16 comparable sales located in Addison, Bensenville, Elk Grove Village and Wood Dale. The comparables have sites ranging from 15,000 to 39,520 square feet of land area. The comparables are improved with one-story industrial buildings of masonry construction ranging in size from 7,920 to 19,615 square feet of building area. Features of the buildings include office space ranging from 484 to 2,196 square feet of building area, or from 5% to 21% of building area, and land to building ratios ranging from 1.68:1 to 3.06:1. The comparables sold from January 2016 to December 2017 for prices ranging from \$420,000 to \$1,250,000 or from \$31.52 to \$66.50 per square foot of building area, land included. Based on this evidence, the appellant requested that the assessment be reduced to \$212,032 to reflect a market value of \$636,160 or \$64.00 per square foot of building area including land, based on the statutory level of assessments of 33.33% as determined by the Illinois Department of Revenue.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$225,720. The subject's assessment reflects a market value of \$678,245 or \$68.23 per square foot of building area, land included, when using the 2018 three-year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue.

Appearing on behalf of the Board of Review was member, Carl Peterson. Mr. Peterson testified that the board of review did not submit any evidence to support the subject's current 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 met this burden of proof and a reduction in the subject's assessment is warranted.

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The Board finds the only evidence of market value to be appellant's comparable sales. These comparables sold for prices ranging from \$420,000 to \$1,250,000 or from \$31.52 to \$66.50 per square foot of building area, including land. The subject's assessment reflects a market value of \$678,245 or \$68.23 per square foot of building area, land included, which is above the range established by the only comparable sales in this record on a price per square foot basis. Based on this evidence the Board finds a reduction in the subject's assessment is justified commensurate with the appellant's request.

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APPELLANT:	Dean Englehardt
DOCKET NUMBER:	18-04548.001-I-1
DATE DECIDED:	May 2021
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a one-story, two-unit industrial building of masonry exterior construction with 12,300 square feet of building area, including 1,250 square feet or 10.16% of office space. The building was constructed in 1968 and features two loading docks. The building is situated on a site containing approximately 27,600 square feet of land area and has a land-to-building ratio of 2.24:1. The building has an exterior height of 17 feet. The subject property is located in Elk Grove Village, Addison Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. A consolidated hearing was held before the Property Tax Appeal Board via video conferencing technology covering appeals for 2017 and 2018 tax years. Appearing before the Property Tax Appeal Board on behalf of the appellant was his attorney, Dennis M. Nolan. A representative of each party along with the board of review witness appeared for the proceeding remotely with the use of the WebEx virtual platform pursuant to notice from the Property Tax Appeal Board and neither party objected to the virtual hearing format.

In support of overvaluation argument, attorney Nolan summarized the evidence submitted on behalf of the appellant which consisted of seven comparable sales located in Addison, Bensenville, or Elk Grove Village. These properties had sites ranging in size from 15,830 to 39,520 square feet of land area and were each improved with a one-story single-tenant industrial building of masonry exterior construction ranging in size from 7,926 to 21,658 square feet of building area, resulting in land-to-building ratios ranging from 1.68:1 to 2.91:1. The comparables contained office spaces ranging in size from 910 to 2,119 square feet of building area and had percentage of office space ranging from 6% to 17% of building area. The buildings were constructed from 1960 to 1970. The comparables sold from September 2016 to December 2017 for prices ranging from \$420,000 to \$1,000,000 or from \$31.52 to \$54.48 per square foot of building area, including land. Attorney Nolan noted that the comparable properties were selected based on their similarities to the subject in terms of percentage of office space, building size, and age. Attorney Nolan argued that most weight should be given to comparables #3, #4, and #5 based on their similarity to the subject property in building size, percentage of office space, and land-to-building ratio. Mr. Nolan stated that no adjustments were made to the comparables.

Based on the evidence submitted, attorney Nolan requested the subject's assessment be reduced to \$204,980 to reflect a market value of \$615,000 or \$50.00 per square foot of building area, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$235,110. The subject's assessment reflects a market value of \$706,460 or \$57.44 per square foot of building area, land included, when using the 2018 three-

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year average median level of assessment for DuPage County of 33.28% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review submitted a memorandum stating that the board of review has supplied evidence related to the companion 2017 tax year appeal and that the only change in the 2018 tax year assessment is the application of a township equalization factor of 1.0463 to the 2017 assessment which was applied to all properties in Addison Township. The board of review asserted that it will not submit any new evidence for this 2018 tax year appeal and requested that the Property Tax Appeal Board “combine these 2 years of appeals.”¹ The evidence submitted contained information on seven comparable sales located in Addison, Elk Grove Village, or Lombard. which are situated on sites ranging from 22,216 to 32,058 square feet of land area. Each comparable is a one-story industrial building of masonry exterior construction ranging from a single-unit to a four-unit building and ranging in size from 10,400 to 15,200 square feet of building area, resulting in land-to-building ratios ranging from 2.00:1 to 2.42:1. The buildings were constructed from 1965 to 1973 and have exterior building heights ranging from 14 to 18 feet. The comparables sold from June 2014 to September 2016 for prices ranging from \$470,000 to \$1,109,200 or from \$43.04 to \$85.65 per square foot of building area, including land.

In addition, the board of review submitted a report prepared by the Chief Deputy Assessor for Addison Township, Frank A. Marack, Jr. consisting of property record cards for the subject and each comparable sale, “summary of salient facts” for each property, grid analysis, color photographs of each property, and Illinois Real Estate Transfer Declaration (PTAX-203) form associated with each comparable sale.

The board of review called as its witness Frank A. Marack, Jr. who testified that he prepared and reviewed the evidentiary documents submitted on behalf of board of review.

Mr. Marack testified that he did not utilize appellant’s comparable #1 because it was not advertised on the open market and therefore not considered an arm's-length transaction in his opinion. Additionally, appellant’s comparable #1 is much larger in building size relative to the subject. He did not utilize appellant’s comparable #2 as it, too, was significantly larger compared to the subject when there were more similar comparables available; he did not include appellant’s comparable #3 based on wrong information in the appellant’s grid and the CoStar description sheet submitted by the appellant;² appellant’s comparable #4 was a sale of multiple parcels; comparable #5 was significantly larger in building size and outside the range that he would consider comparable; appellant’s comparable #6 was not utilized because, conversely, it was significantly smaller in building size and outside the size range that Mr. Marack would consider comparable; and, lastly, appellant’s comparable #7 was not available at the time Mr. Marack prepared the evidence in support of the 2017 tax year appeal.

¹ At the hearing, the board of review clarified that for the 2018 tax year appeal, it will stand on the same evidence submitted for the prior 2017 tax year appeal.

² The parties stipulated at the hearing that appellant’s comparable #3 sold in October 2016 for a price of \$340,000 based on the information depicted in the PTAX-203 form associated with the sale of 606 E. Green St. Bensenville which was provided at the request of the hearing officer. (See board of review exhibit #1). The Board also finds that the PIN listed for comparable #3 in the appellant’s grid does not match the property address.

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

Under cross-examination, Mr. Marack affirmed that for the 2018 tax year appeal, he did not review any new sales, new data or market driven changes or trends although there was a market fluctuation from 2017 to 2018 tax year.

Based on this evidence and testimony, 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. 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

Initially, the Board finds that the documents prepared by Mr. Marack (including his "Market Approach to Value") are within the scope of his authority as the Chief Deputy Township Assessor. A well-grounded exception in the Illinois Real Estate Licensing Act allows assessors to testify regarding the value of the subject property as well as the comparables. Section 5-5(e) of the Real Estate Appraiser Licensing Act states as follows:

This Act does not apply to a county assessor, township assessor, multi-township assessor, county supervisor of assessments, or any deputy or employee of any county assessor, township assessor, multi-township assessor, or county supervisor of assessments who is performing his or her respective duties in accordance with the provisions of the Property Tax Code.

225 ILCS 458/5-5(e)

As the Chief Deputy Township Assessor, Mr. Marack's job is to assess values of properties. The "Market Approach to Value" prepared by Mr. Marack was prepared pursuant to his duties as an assessor under the Property Tax Code in support of the assessment of the subject property. There is no evidence in the record that Mr. Marack was purporting to perform an "appraisal" of the subject property. Moreover, the Board finds that the documents prepared by the Chief Deputy Township Assessor and submitted by the board of review (including any opinion of market value) goes to the weight of the evidence, not its admissibility. The Board has given little weight to the "plus" or "minus" adjustments presented by Mr. Marack as there is no evidence in the record of specific market data (other than raw sales data) upon which he relied to calculate the adjusted sale prices per square foot of building area for each of the comparable properties. Consequently, the Board gave little weight to Mr. Marack's opinion of value for the subject property.

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The record contains a total of fourteen comparable sales in support of the parties' respective positions before the Property Tax Appeal Board. The Board gave little weight to appellant's comparable #3 based on the conflicting information contained in the appellant's grid with regard to this property. The information depicted in the Illinois Real Estate Transfer Declaration (PTAX-203) form for this property indicates that this is a residential property which will be used as the buyer's principal residence (see board of review exhibit #1) which calls into question and undermines the similarity of this comparable to the subject. The Board gave reduced weight to appellant's comparables #1, #2, and #5 based on their larger building sizes when compared to the subject. The Board also gave reduced weight to board of review comparables #2, #3, #4, and #7 based on their sale dates in 2014 and 2015 which are dated and less proximate in time to the subject's January 1, 2018 assessment date than the remaining comparable sales in the record and therefore less likely to be indicative of subject's market value as of the assessment date at issue.

The Board finds the best evidence of market value to be appellant's comparables #4, #6, and #7, along with board of review comparables #1, #5, and #6. These best comparables were similar to the subject in location, exterior construction, age, building size, land size, and land-to-building ratio. These best comparables sold from June 2016 to December 2017 for prices ranging from \$420,000 to \$1,109,200 or from \$50.33 to \$85.65 per square foot of building area, including land. The subject's assessment reflects a market value of \$706,460 or \$57.44 per square foot of building area, including land, which is within the range established by the most similar comparable sales in this record, both on an overall value basis and on a per square foot basis. The subject's assessment is particularly supported by the board of review comparable #6 which was most similar to the subject in land size, building size, land-to-building ratio, age, height, and percentage of office space and which sold for \$1,109,200 or \$85.65 per square foot of building area, including land.

After considering the evidence and testimony provided, and after considering adjustments to the best comparable sales in the record for differences from the subject property, the Board finds that the appellant has not demonstrated by a preponderance of the evidence that the subject was overvalued. The Board further finds that the subject's assessment is well supported by the evidence in the record and the testimony of the witness and, therefore, no reduction in the subject's assessment is warranted.

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APPELLANT:	Karen Smith
DOCKET NUMBER:	17-05284.001-I-1
DATE DECIDED:	May 2021
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a one-story, single-tenant industrial building of masonry construction with 10,000 square feet of building area, including 1,428 square feet of office space. The building was constructed in 1973. The building is situated on a site containing approximately 21,000 square feet of land area and has a land-to-building ratio of 2.10:1. The building has an exterior height of 19 feet. The subject property is located in Addison, Addison Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. A consolidated hearing was held before the Property Tax Appeal Board via video conferencing technology covering appeals for the 2016, 2017, and 2018 tax years. Appearing before the Property Tax Appeal Board on behalf of the appellant was her attorney, Dennis M. Nolan. A representative for each of the parties along with the board of review witness appeared for the proceeding remotely with the use of the WebEx virtual platform pursuant to notice from the Property Tax Appeal Board and neither party objected to the virtual hearing format.

In support of overvaluation argument, attorney Nolan summarized the evidence for the 2017 tax year appeal submitted on behalf of the appellant consisting of eight comparable sales located in Addison, Bensenville, Elk Grove Village, or Wood Dale. These properties had sites ranging in size from 23,372 to 39,520 square feet of land area and were each improved with a one-story industrial building of masonry exterior construction ranging in size from 10,000 to 19,351 square feet of building area, resulting in land-to-building ratios ranging from 1.91:1 to 3.06:1. The buildings were built from 1963 to 1988. The comparables sold from April 2015 to October 2017¹ for prices ranging from \$610,000 to \$865,000 or from \$31.52 to \$71.38 per square foot of building area, including land. Attorney Nolan asserted that most weight should be given to comparables #5, #6, and #8 due to being most similar to the subject, and less weight given to comparable #1 as it was purchased by the tenant, and #4 and #7 which were multi-tenant buildings. Attorney Nolan acknowledged that the evidence was compiled by his office staff and that he is not a licensed appraiser.

Based on the evidence submitted, attorney Nolan requested the subject's assessment be reduced to \$209,979 to reflect a market value of approximately \$630,000 or \$63.00 per square foot of building area, including land.

¹ During the hearing, it was disclosed that appellant's comparables #2 and #8 which reportedly sold in 2016 for \$380,000 and \$650,000, respectively, sold again in 2017 for \$525,000 and \$719,500 or for \$49.01 and \$71.38 per square foot of building area, including land, respectively. The Board finds that the subsequent sales are more proximate to the January 1, 2017 assessment date at issue and will be used in the Board's analysis.

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The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$236,800. The subject's assessment reflects a market value of approximately \$710,471 or \$71.05 per square foot of building area, land included, when using the 2017 three-year average median level of assessment for DuPage County of 33.33% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review submitted a memorandum asserting that the subject property is the subject of a pending appeal for the 2016 tax year and the board of review has submitted evidence of market value in conjunction with that appeal. For the current 2017 tax year at issue, the board of review has only applied the 2017 township equalization factor of 1.0831 (8.31%) to the 2016 assessment which was same factor applied to all non-farm properties in DuPage County that tax year.

The board of review has not presented new evidence for the current 2017 tax year appeal but has submitted the same evidence in support of the 2016 tax year appeal which consists of information on five comparable sales located in Addison. Board of Review's comparable #5 and the appellant's comparable #5 is the same property. These properties had sites ranging from 20,800 to 32,500 square feet of land area and were each improved with a one-story industrial building of masonry exterior construction ranging in size from 9,940 to 11,750 square feet of building area, resulting in land-to-building ratios ranging from 2.00:1 to 3.27:1. The buildings were constructed from 1966 to 1973 and have building heights ranging from 16 to 20 feet. The comparables sold from April 2014 to June 2016 for prices ranging from \$650,000 to \$798,000 or from \$62.13 to \$76.73 per square foot of building area, including land.

In addition, the board of review submitted a report prepared by the Chief Deputy Assessor for Addison Township, Frank A. Marack, Jr., consisting of property record cards for the subject and each comparable sale, "summary of salient facts" for each property, grid analysis, color photographs of each property, and Illinois Real Estate Transfer Declaration (PTAX-203) form associated with each comparable sale.

The board of review called as its witness Frank A. Marack, Jr. who testified that he prepared all the evidentiary documents submitted on behalf of board of review.

Mr. Marack critiqued the comparable sales submitted by the appellant contending that appellant's comparable #1 was not on the market, was purchased by the tenant, and therefore is not an arm's-length transaction; appellant's comparable #2 has no transfer of deed associated with the sale recorded; comparable #3 is located outside of Addison; comparable #4 had significant amount of deferred maintenance and the buyer received credit for a new roof; comparable #5 was the same property used by the board of review; comparable #6 was a multi-tenant building; comparable #7 was likewise a multi-tenant building and had significant deferred maintenance; and comparable #8 was located outside of Addison.

With respect to the board of review evidence, Mr. Marack testified that the comparable sales submitted by the board of review were each located in Addison and that he applied positive, negative, or no adjustments to these comparables for characteristics such location, time on market, building size, land-to-building ratio, construction, age, number of units, building height, and percentage of office space. Mr. Marack also testified that he analyzed the subject property

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individually, rather than applying a mass appraisal technique due to the subject's assessment being appealed. In doing so, Mr. Marack determined that the subject's adjusted market value is greater than the value as reflected by its assessment based in part on quantitative (calculable) factors such as land-to-building ratio versus price per square foot, and in part based on his personal experience related to property values.

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

Under cross-examination, Mr. Marack affirmed that he is not a licensed appraiser and he did not prepare an appraisal report but rather a summary report of his opinion of value as requested by the DuPage County Board of Review. As part of his report, Mr. Marack prepared the grid analysis, "summary of salient facts" and "market approach to value" and "summary sheet of adjustments" depicting a "plus", "minus" or "equal" symbols to reflect whether a particular feature of the comparable sale is superior, inferior or equal to the subject property, respectively. Mr. Marack testified that the purpose of the report was to "estimate fair market value" of the subject property as of January 1, 2016.

Upon further cross-examination, Mr. Marack testified that he did not update his report nor obtain any new sales in response to the appeals for the following two years because the only increase to the subject's assessment from 2016 tax year was the application of the township equalization factor which was applied equally to all properties in DuPage County and the subject property should not be singled out as one property not subject to that multiplier. Mr. Marack affirmed that it would be appropriate to use newer sales for the 2017 and 2018 appeals if he was "coming up with a new market value for each of those years," however, he was not asked to prepare a new report for 2017 or 2018 tax year appeals as it relates to the subject property. Mr. Marack also affirmed that in his opinion, the market in Addison Township did in fact change from 2016 to 2018, however, he did not specify whether market values generally increased or decreased.

Attorney Nolan then questioned Mr. Marack regarding the clear ceiling height and roof height of the comparable properties in relation to the subject property. Mr. Marack testified that the height adjustments he made to the comparables were on the basis of exterior building heights rather than interior ceiling height as a measure of comparison even though the ceiling height may impact the overall value of the building. Attorney Nolan submitted two exhibits at the hearing, the first being a page extracted from the *Dictionary of Real Estate Appraisal, 6th Edition*, defining "clear height" (marked as "Appellant Hearing Exhibit #1"); and the second being a 70-page document containing Co-Star property information data sheets related to the six board of review comparables (marked as "Appellant Hearing Group Exhibit #2"). Upon objection from the board of review as to group exhibit #2, the hearing officer allowed the documents to be used for limited purpose under cross-examination of the witness for impeachment purposes. However, the hearing officer denied the introduction of said documents to be admitted into evidence. Section 1910.67(k) of the rules of the Property Tax Appeal Board provide:

- k) In no case shall any written or documentary evidence be accepted into the appeal record at the hearing unless:

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- 1) Such evidence has been submitted to the Property Tax Appeal Board prior to the hearing pursuant to this Part;
- 2) The filing requirement is specifically waived by the Board;
or
- 3) The submission of the written or documentary evidence is specifically ordered by the Board or by a Hearing Officer.

(86 Ill.Admin.Code §1910.67(k))

The Board finds that Appellant Hearing Group Exhibit #2 was not submitted to the Property Tax Appeal Board prior to the hearing pursuant to the filing requirement of Section 1910.67(k); the filing requirement was not waived by the Board; and the submission of said documents was not specifically ordered by the Property Tax Appeal Board or the hearing officer. 86 Ill.Admin.Code 1910.67(k). The board of review did not have an objection, however, to Appellant Hearing Exhibit #1 being admitted into evidence.

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

Initially, the Board finds that the documents prepared by Mr. Marack (including his "Market Approach to Value") are within the scope of his authority as the Chief Deputy Township Assessor. A well-grounded exception in the Illinois Real Estate Licensing Act allows assessors to testify regarding the value of the subject property as well as the comparables. Section 5-5(e) of the Real Estate Appraiser Licensing Act states as follows:

This Act does not apply to a county assessor, township assessor, multi-township assessor, county supervisor of assessments, or any deputy or employee of any county assessor, township assessor, multi-township assessor, or county supervisor of assessments who is performing his or her respective duties in accordance with the provisions of the Property Tax Code.

225 ILCS 458/5-5(e)

As the Chief Deputy Township Assessor, Mr. Marack's job is to assess values of properties. The "Market Approach to Value" prepared by Mr. Marack was prepared pursuant to his duties as an assessor under the Property Tax Code in support of the assessment of the subject property. There is no evidence in the record that Mr. Marack was purporting to perform an "appraisal" of the subject property. Moreover, the Board finds that the documents prepared by the Chief Deputy Township Assessor and submitted by the board of review (including any opinion of market value)

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goes to the weight of the evidence, not its admissibility. The Board has given little weight to the “plus” or “minus” adjustments presented by Mr. Marack as there is no evidence in the record of specific market data (other than raw sales data) upon which he relied to calculate the adjusted sale prices per square foot of building area for each of the comparable properties. Consequently, the Board gave little weight to Mr. Marack’s value conclusion of the subject property as it was based in part on unsupported adjusted sale price per square foot of the comparable properties.

The Property Tax Appeal Board finds that the board of review submitted the same evidence used to support the tax year 2016 appeal. The board of review witness testified that it would be appropriate to use newer sales for the 2017 and 2018 appeals if he was “coming up with a new market value for each of those years,” however, he was not asked to prepare a new report for the current appeal.

The Board gave less weight to the appellant’s comparable sales #4 and #5 based on their sale dates in 2015 being less proximate in time to the subject’s January 1, 2017 assessment date than the remaining comparable sales in the record and therefore less likely to be indicative of subject’s market value as of the assessment date at issue. Additionally, appellant’s comparables #4, #6, and #7 are each multi-tenant buildings, dissimilar to the subject’s single-tenant characteristic and were therefore given reduced weight. The Board gave less weight to board of review sales #1, #2, #3 and #5 due to their 2014 and 2015 sale dates being less proximate in time to the January 1, 2017 assessment date.

The Board finds the best evidence of market value to be appellant’s comparable #1, #2, #3, and #8, as well as board of review sale #4 which were similar to the subject in location, single-tenant design, exterior construction, building size, land size, and land-to-building ratio. However, appellant’s comparables #1 and #3 had larger building and land sizes relative to the subject, therefore requiring downward adjustments for these superior features in order to make them more equivalent to the subject. These best comparables in the record sold proximate to the January 1, 2017 assessment date at issue. These comparables sold from June 2016 to October 2017 for prices ranging from \$525,000 to \$865,000 or from \$31.52 to \$76.73 per square foot of building area, including land. The subject’s assessment reflects a market value of \$710,471 or \$71.05 per square foot of building area, including land, which is within the range established by the best comparable sales in the record on an overall value basis and on a per square foot basis.

After considering the evidence and testimony provided, and after considering adjustments to the best comparable sales in the record for differences from the subject property, the Board finds that the appellant has not demonstrated by a preponderance of the evidence that the subject was overvalued. The Board further finds that the subject’s assessment is supported by the evidence in the record and the testimony of the witness and, therefore, no reduction in the subject’s assessment is warranted.

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