

State of Illinois

PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

DECIDED BY THE BOARD

During Calendar Year 2022

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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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2022 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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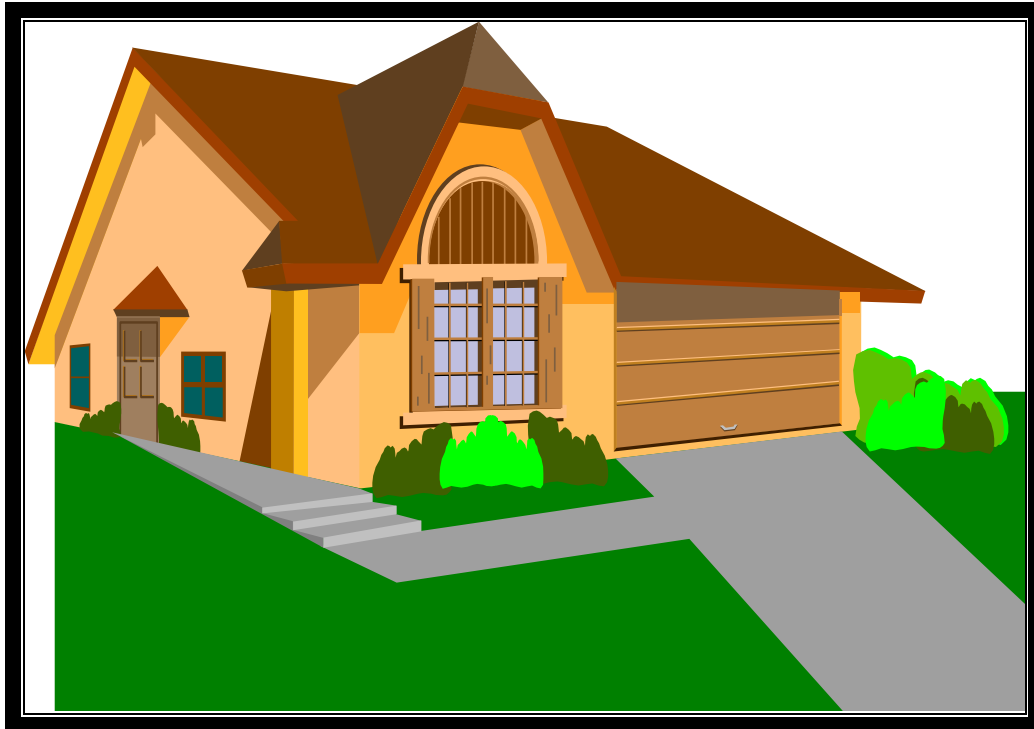
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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2022 RESIDENTIAL DECISIONS



PROPERTY TAX APPEAL BOARD
Section 16-190(a) of the Property Tax Code
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2022 SYNOPSIS – RESIDENTIAL CHAPTER

2022 RESIDENTIAL CHAPTER

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APPELLANT:	Marcie Bulbuc
DOCKET NUMBER:	19-07311.001-R-1
DATE DECIDED:	April 2022
COUNTY:	DuPage
RESULT:	Reduction

The subject property consists of a vacant lot measuring 58' x 133' and containing 7,714 square feet of land area. The site is cleared and has adequate drainage. City water and sewer service are available to the site but are not present on the site. 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 submitted information on three comparable sales located in the same township as the subject property.¹ The comparables have sites that range in size from 7,336 to 19,250 square feet of land area.² The properties sold from July to September 2018 for prices ranging from \$30,500 to \$86,000 or from \$4.16 to \$6.45 per square foot of land area. Based on this evidence, the appellant requested the subject's assessment be reduced to \$13,333 which reflects a market value of approximately \$40,000 or \$5.19 per square foot of land area when applying 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 \$41,750. The subject's assessment reflects a market value of \$126,554 or \$16.41 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for DuPage County of 32.99% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales located in the same assessment neighborhood code as the subject property. The comparables have sites that range in size from 11,869 to 24,174 square feet of land area. The properties sold from February 2016 to May 2018 for prices ranging from \$70,000 to \$150,000 or from \$3.72 to \$9.48 per square foot of living area, land included.

The board of review submitted a map depicting the subject's proximity to both parties' comparables along with comments critiquing the appellant's comparables as being located more distant from the subject and arguing "schools, etc. are different." It contended vacant land sales were "scarce," and submitted an arial plat of the subject noting the land had been cleared. The board of review speculated the site had been cleared with the intention of selling the lot. The board of review further claimed the appellant owned three contiguous parcels. Based on this evidence, the board of review requested the subject's assessment be confirmed.

¹ The appellant's rebuttal submission included listing information which disclosed its comparables to be located in Addison Township.

² Details for the appellant's comparables #1 and #3 were corrected with information submitted by the board of review in its grid analysis.

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In rebuttal, the appellant described the subject lot as located in unincorporated DuPage County and lack city water and sewer services. The appellant addressed the board of review's claim that the site had been cleared with the intent of selling, explaining the lot had unsightly foliage and unlevel topography which attracted nuisance animals and other pests. After no response from the County with respect to this issue, the appellant reported the property was gradually cleared and leveled to improve drainage and discourage nuisance wildlife. More importantly, the appellant pointed out that all of the comparable lot sales are also cleared. Furthermore, most of them have utilities on site.

The appellant submitted a Village of Addison Custom GIS map showing existing water and sewer line which depict the subject lot to be unimproved with these utilities. A plat map of the subject site included comments from the DuPage County Building Department describing a potential for a zoning variation, easement and/or other restrictions which impact the site's viability for improvement.

Finally, the appellant provided listing information sheets and a chart depicting both parties' comparables' lot sizes, school districts, presence of water and sewer services and other descriptive comments associated with the parcels. This table indicates that only one of the parties' comparables lacks utilities on site and reveals that both parties utilized comparable sales located outside of the subject's school district.

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 parties submitted seven comparable sales for the Board's consideration. The Board gives less weight to the appellant's comparable #3 along with board of review comparables #2, #3 and #4 which are substantially larger in land area when compared to the subject site and/or sold in 2016 or 2017, less proximate in time to the January 1, 2019, assessment date at issue.

The Board finds the best evidence of market value to be the remaining comparables which are more similar to the subject in land area and sold proximate in time to the January 1, 2019. Two of these three best comparables are improved with city utilities, which the subject lacks, suggesting a downward adjustment is needed to make these properties more equivalent to the subject. These best comparables sold from May to September 2018 for prices ranging from \$30,500 to \$105,000 or from \$4.16 to \$8.82 per square foot of land area. The subject's assessment reflects a market value of \$126,554 or \$16.41 per square foot of land area which falls above the range established by the best comparable sales in this record. After considering adjustments to the comparables for differences from the subject, the Board finds a reduction in the subject's assessment, commensurate with the request, is justified.

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APPELLANT:	Daniel & Angeline Cunningham
DOCKET NUMBER:	19-03303.001-R-1
DATE DECIDED:	November 2022
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a two-story dwelling of frame and brick exterior construction with 4,026 square feet of living area. The dwelling was constructed in 2018. Features of the home include a full basement that is unfinished, central air conditioning, one fireplace and a three-car garage containing 849 square feet of building area. The property has an approximately 11,078 square foot site and is located in Naperville, Naperville Township, DuPage County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted information on the cost to construct the subject dwelling. The appellants completed Section – VI – Recent Construction Information on Your Residence of the appeal petition stating the subject site was purchased on May 21, 2012 for a price of \$325,000 and the total cost to construct the home was \$717,656 resulting in a total cost of \$1,042,656. The appellants indicated that the dwelling was inhabitable and fit for occupancy or intended use on July 12, 2018, and an occupancy permit was issued on September 11, 2018. The appellants included a copy of the Certificate of Occupancy issued by the City of Naperville. The appellants also noted the owner did tile work, and paid for landscaping, architect and engineering outside of the sworn statement.

To further document the cost of construction, the appellant submitted a copy of a sworn contractor's statement that was not notarized and did not contain the date or signature of the contractor. The statement noted that the mirrors and shower doors, shelving, final cleaning, landscaping,³ lighting and contingency were by owner and not included in the line item costs. The appellants also provided a copy of an agreement between the client and architect with handwritten notations indicating a cost of \$7,776, which includes revisions for a cost of \$945. The appellants did not provide an invoice for the original architectural services but did provide a copy of the invoice for the architectural revisions. The appellants also included a copy of the engineering proposal but did not provide an invoice for the actual services provided. Lastly, the appellants provided an email identified as "Invoice for sod installation" with a total cost of \$2,800, as well as an invoice from "Great Western Flooring Co." with a total cost for materials of \$4,213.32. The appellants estimated the labor cost for the tile in the amount of \$6,000. The appellants arrived at a total of \$25,980.32 for all outside costs. Adding the additional costs to the sworn statement cost of \$691,676.56 results in a total dwelling cost of \$717,656.88.

Based on this evidence, the appellants requested the subject's assessment be reduced to \$347,439 which would reflect a market value of \$1,042,421 or \$258.92 per square foot of living area, including land, when using the statutory level of assessment of 33.33%.

³ The sworn contractor's affidavit indicates a line item contract cost for landscaping in the amount of \$2,738.70.

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The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$398,820. The subject's assessment reflects a market value of \$1,208,912 or \$300.28 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for DuPage County of 32.99% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review, through the township assessor, submitted a grid analysis and property record cards for the subject and six comparable sales. The comparables have the same assessment neighborhood code as the subject. Two of which are located on the same street as the subject property. The comparables have sites that range in size from 6,996 to 16,823 square feet of land area. The comparables are improved with two-story dwellings of frame or frame and brick exterior construction ranging in size from 3,758 to 4,304 square feet of living area. The dwellings were built from 2016 to 2019. The comparables each have a basement, five of which have finished area. Each comparable has central air conditioning, one to three fireplaces and a garage ranging in size from 500 to 1,163 square feet of building area. The comparables sold from August 2017 to November 2019 for prices ranging from \$1,170,000 to \$1,850,000 or from \$309.03 to \$435.50 per square foot of living area, land included.

The assessor argued that the appellants only provided construction costs as evidence. The assessor asserted that “traditionally it’s understood that cost does not equal value.” The assessor contends the best indication of value would be recent sales within the subject’s neighborhood.

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 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.

Section 9-145(a) of the Property Tax Code provides that each tract or lot of property shall be valued at 33 1/3% of its fair cash value. (35 ILCS 200/9-145).

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). The Board finds the comparable sales presented by the board of review better meet this definition of fair cash value than the cost data presented by the appellants.

The appellants provided information with respect to the purchase price of the subject’s land on May 21, 2012 and the construction costs that were incurred during the construction and subsequent completion of the subject dwelling on July 12, 2018 and the board of review provided six comparable sales to support their respective positions before the Property Tax Appeal Board.

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The Board finds the sworn contractor's affidavit was not notarized and did not contain a date or signature of the contractor. Additionally, the affidavit noted additional costs were made by the owner that were not revealed by the appellants. Lastly, the appellants did not provide corroborating evidence to support the costs shown in the affidavit. Therefore, the Board has given less weight to the appellants' evidence.

As to the six comparable sales presented by the board of review, the Board finds all the comparables are relatively similar to the subject in location, dwelling size, design, age and some features, except five of the comparables have finished basements in contrast to the subject that has an unfinished basement, suggesting downward adjustments would be required to make these comparables more equivalent to the subject. The comparables sold from August 2017 to November 2019 for prices ranging from \$1,170,000 to \$1,850,000 or from \$309.03 to \$435.50 per square foot of living area, land included. The subject's assessment reflects a market value of \$1,208,912 or \$300.28 per square foot of living area, land included, which falls within the range established by the six comparable sales in the record on an overall market value basis and below the range on a per square foot basis. After considering adjustments to the comparables for differences from the subject, the Board finds these sales demonstrate the subject's assessment is not excessive and is reflective of the market value of the property as of January 1, 2019.

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APPELLANT:	Elizabeth & Jeffrey Diver
DOCKET NUMBER:	19-02699.001-R-1
DATE DECIDED:	June 2022
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a split-level dwelling of frame and masonry exterior construction with 1,262 square feet of living area. The dwelling was constructed in 1957. Features of the home include a partially finished basement, central air conditioning, and a 1-car garage. The property has an 8,758 square foot site and is located in Wheaton, Milton Township, DuPage County.

One of the appellants, Jefferey Diver, appeared and testified before the Property Tax Appeal Board contending inequity in assessment with regard to the improvement as the basis of the appeal.¹ In support of this argument, the appellants submitted a grid analysis containing assessment information and sales data on ten comparable properties. The comparables are each located on the same street as the subject and within the same assessment neighborhood code as the subject property. The comparables are improved with split-level dwellings each containing 1,262 square feet of living area. The dwellings are of frame and masonry exterior construction and each home was built in 1957. Features include partially finished basements, central air conditioning, and a 1-car garage. These properties have sites ranging in size from 8,654 to 8,802 square feet of land area. These comparables have improvement assessments ranging from \$56,800 to \$76,450 or from \$45.01 to \$60.58 per square foot of living area. Four comparables contained sales data which depicted the sales occurring from April 2016 to August 2018 for prices ranging from \$253,000 to \$304,000 or from \$200.48 to \$240.89 per square foot of living area, land included. Based on this evidence and testimony, the appellants requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$100,370. The subject's assessment reflects a market value of \$304,244 or \$241.08 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for DuPage County of 32.99% as determined by the Illinois Department of Revenue. The subject has an improvement assessment of \$73,860 or \$58.53 per square foot of living area.

In support of its contention of the correct assessment, the board of review submitted, through the township assessor, information on ten comparable properties located within .93 of a mile from the subject and within the same assessment neighborhood code as the subject property. The board of review comparables #1 and #2 are the same properties as appellants' comparables #1 and #5, respectively. The comparables are improved with split-level dwellings of frame or frame and masonry exteriors that range in size from 1,262 to 1,630 square feet of living area. The dwellings were built from 1957 to 1959. Each home features a partially finished basement and a 1-car or a

¹ Although the appellant marked on the Residential Appeal form "Assessment equity" as the only basis of the appeal, the record contains sales data which was submitted by both parties. Consequently, the Board will analyze this appeal based on market value (overvaluation) grounds in addition to equity in assessment (uniformity).

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2-car garage. Five comparables feature central air conditioning and five have one or two fireplaces. The comparables have improvement assessments ranging from \$73,780 to \$97,890 or from \$58.46 to \$61.49 per square foot of building area. The two comparables with sales data sold in April 2017 and August 2018 for prices of \$300,000 and \$304,000 or for \$237.72 and \$240.89 per square foot of living area, land included. The board of review also submitted a Multiple Listing Service (MLS) sheet associated with the sale of the subject property in February 2018 with attached photographs depicting the upgrades and amenities of the subject property.

In rebuttal, the appellants submitted a 4-page memorandum arguing that the board of review did not dispute that very similar homes on the subject's street have different improvement assessments. Appellants' further argued in rebuttal that three homes on the subject's block were assessed based on their average sale prices in 2017 and 2018, while eight homes on the same block were assessed based on some other criteria. The appellants contend that "... we do not challenge the Improvement Assessment (*sic*) of the subject property: (*sic*) we agree that it is the fair market value, based on the purchase price of the subject property in 2018." The issue the appellants contest is that some properties appear to have the improvements assessed based on sale prices while other improvement assessments on the same block are based on criteria other than their fair market value resulting in much lower improvement assessments.

Mr. Diver testified before the Property Tax Appeal Board that his home is one of the many nearly identical homes on Hazelton Avenue. Directly across the street for almost the length of a block is a school which is a "magnet for traffic." To control traffic flow, the city has turned Hazelton Avenue into a one-way street. For this reason, Mr. Diver argued that all the homes along Hazelton Avenue are different from the similar style homes on the next block which are not adversely affected by the school traffic. Mr. Diver argued that when considering the homes on his block which are in the same condition as the subject dwelling, the only ones that had their assessments increased are the ones that sold in the year 2017 and 2018 and the increase in assessments reflected their sale prices. When questioned by the administrative law judge why one property in the appellant's grid that sold in 2016 did not have their improvement assessment increased, the appellant admitted that he does not know the methodology utilized by the township assessor's office.

Representing the board of review was Mr. Donald Whistler who called Milton Township Chief Residential Deputy Assessor, Mary Lopez, as a witness to testify regarding the evidence she prepared on behalf of the board of review. Ms. Lopez testified that she is very familiar with the subject neighborhood and the subject home. She argued that some residents prefer to be near or across the street from the school on Hazelton Avenue and the adjacent parks. In their market analysis, the township assessing officials have determined that the school on Hazelton Avenue neither increases nor decreases market values in the subject's block compared to rest of the neighborhood. However, with respect to homes that have had improvements done such as the subject property, the assessor will treat those properties similarly as other homes that have also been updated. The renovations are typically reflected in higher sale prices and, predictably, higher improvement assessments. Ms. Lopez testified that in conducting mass appraisal, they typically look at multiple home sales in the same neighborhood with similar characteristics, and then calculate the median sale price which is used to adjust the assessments of other similar properties in the neighborhood taking into account adjustments for differences. As to the subject's improvement assessment, Ms. Lopez testified that the subject is close to the median price per

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square foot of the ten homes identified in the board of review equity grid. Furthermore, Ms. Lopez noted that the MLS sheet associated with the sale of the subject property in February 2018 depicts the many upgrades and remodeling that the subject property underwent which supports the improvement assessment. Upon questioning by the administrative law judge, Ms. Lopez clarified that the assessing officials do not only look at the properties that sold, but also those properties for which improvement permits were taken out.

Based on this evidence and testimony, the board of review requested that the subject's improvement assessments be confirmed.

On cross examination, Ms. Lopez acknowledged that not everyone takes out a permit when remodeling, and it is sometimes impossible to know the condition of many similar homes on the same block or neighborhood. If there is no other evidence of modifications to a home and the home does not sell thereby establishing a fair cash value, then there is no basis for which to increase the assessment of that property which accounts for varying improvement assessments among homes of similar characteristics. Additionally, Ms. Lopez pointed out that the board of review has presented eight comparables that have not sold which have improvement assessments higher than that of the subject.

Conclusion of Law

The taxpayers contend unequal treatment in the subject's improvement assessment as a 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 did not meet this burden of proof and a reduction in the subject's improvement assessment is not warranted on the grounds of uniformity.

Initially, addressing the appellants' uniformity argument that similar homes in the subject's neighborhood appear to be assessed using different criteria, the Board finds this argument unsupported. Contrary to the appellants' argument that only the homes that recently sold had their improvement assessments increased to reflect the sale price, the board of review submitted eight comparables which did not recently sell and which have an overall improvement assessments and per square foot of living area assessments higher than that of the subject. Moreover, the assessing official testified that the criteria used when conducting a mass appraisal is to look at the conditions of similar homes based on recent renovations, permit applications, as well as recent sales and then determine a median assessment amount before making any adjustments for differences. The Board notes that the appellants expressly agree that the subject's improvement assessment does in fact reflect the subject's market value based on its recent sale price. To the extent that the appellants argue that some homes on the subject's block are underassessed, the Property Tax Appeal Board lacks jurisdiction in this appeal to make a determination regarding properties other than the subject property.

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The parties submitted a total of eighteen equity comparables including two common comparables in support of their respective positions before the Property Tax Appeal Board. The Board gave less weight to board of review comparables #3, #4, #5, #6, #8, #9, and #10 which lack central air conditioning which is a feature of the subject property or were larger in dwelling size relative to the subject. The Board finds the best equity comparables in the record to be the appellants' comparables and the board of review comparables #1, #2, and #7 (which includes the parties' two common comparables). These best comparables in the record have improvement assessments ranging from \$56,800 to \$76,450 or from \$45.01 to \$60.58 per square foot of living area. The subject's improvement assessment of \$73,860 or \$58.53 per square foot of living area falls within the range established by the best equity comparables in this record. After considering any necessary adjustments to the comparables for differences from the subject, the Board finds that the appellants did not demonstrate by clear and convincing evidence that the subject is inequitably assessed. Therefore, the Board finds that the subject's improvement assessment is supported, and no reduction is warranted on the principles of uniformity.

Lastly, the constitutional provision for uniformity of taxation and valuation does not require mathematical equality. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395 (1960). Although the best comparables in the record disclosed that 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 documentary and testimonial evidence.

The record also contains comparables submitted by both parties containing sales data. 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 record does not support a reduction in the subject's assessment on the grounds of overvaluation.

The record contains a total of four comparable properties with sales data including the two common comparables. These properties are virtually identical to the subject property in location, age, lot size, dwelling size and most features. The Board gave less weight to the comparables with sale dates in 2016 and 2017 based on these sales occurring 20 months or longer from the January 1, 2019 assessment date in question and therefore are less likely to reflect the subject's market value as of the lien date. Only one comparable sold proximate in time to the assessment date at issue. This comparable sold in August 2018 for a price of \$304,000 or \$240.89 per square foot of living area, land included. The subject's assessment reflects a market value of \$304,244 or \$241.08 per square foot of living area, including land, which is nearly identical to the sale price of the best comparable sale in this record both in terms of overall value and on a per square foot basis. The Board finds that on this record, the subject's assessment is supported, and no reduction is warranted on the basis of overvaluation.

2022 SYNOPSIS – RESIDENTIAL CHAPTER

APPELLANT:	Robert & Kristen France
DOCKET NUMBER:	17-05813.001-R-1
DATE DECIDED:	June 2022
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a part 2-story and part 1-story dwelling of frame and brick exterior construction containing 3,569 square feet of living area.¹ The dwelling was constructed in 1997 with a 1,367 square foot addition built in 2004. Features of the home include a basement with an approximately 25% finished area, central air conditioning, two fireplaces, and a garage containing 576 square feet of building area. The property has an approximately 12,000 square foot site and is located in Downers Grove, Downers Grove Township, DuPage County.

The appellants, Robert & Kristen France, appeared before the Property Tax Appeal Board contending overvaluation and inequity in assessment with regard to the improvement as the bases of the appeal. In support of these arguments, the appellants submitted evidence disclosing the subject property was purchased in May 2014 for a price of \$780,000. The sale appears to have all the elements of an arm's-length transaction which was not disputed by the board of review. In addition, the appellants submitted an appraisal report done in connection with a mortgage loan estimating the subject property had a market value of \$780,000 as of April 4, 2014. The appraisal was completed using the sales comparison approach to value. The appellants' appraiser selected three suggested comparable sales and two suggested listings. The comparables consisted of two-story dwellings that ranged in size from 2,553 to 3,714 square feet of living area. The comparables ranged in age from 10 to 66 years old. Each comparable features a basement, four with finished area. Each comparable also features central air conditioning, one or two fireplaces, and a 2-car or a 3-car garage. The three comparable sales sold from July 2013 to January 2014 for prices ranging from \$677,500 to \$935,000 or from \$225.38 to \$256.80 per square foot of living area, including land. After adjustments, the comparables had adjusted sale prices ranging from \$747,050 to \$921,650. Based on the adjusted sales, the appraiser arrived at an indicated value for the subject by the sales comparison approach of \$780,000 as of April 4, 2014.

The appellants also submitted a grid analysis containing sale data and improvement assessment information on three comparable properties located within .5 of a mile from the subject and within the same assessment neighborhood code as the subject property. The comparables are improved with 2-story single-family dwellings that range in size from 3,430 to 4,196 square feet of living area. The dwellings are of frame exterior construction and range in age from 11 to 17 years old. Features include unfinished basements, central air conditioning, one or two fireplaces, and a garage ranging in size from 440 to 773 square feet of building area. These properties have sites ranging in size from 7,500 to 14,000 square feet of land area. The comparables sold in September 2016 or May 2017 for prices ranging from \$702,500 to \$925,000 or from \$167.42 to \$233.64 per square foot of living area, including land. These comparables had improvement assessments ranging from \$158,500 to \$217,250 or from \$37.77 to \$55.18 per square foot of living area.

¹ Some descriptive information was drawn from the subject's property record card submitted by the board of review.

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The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$302,970. The subject's assessment reflects a market value of \$909,000 or \$254.69 per square foot of living 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. The subject has an improvement assessment of \$227,330 or \$63.70 per square foot of living area.

In support of its contention of the correct assessment, the board of review submitted, through the township assessor, information on four comparable properties containing sales and improvement assessment data. The comparables are each located in the same neighborhood as the subject property. The comparables are improved with part 2-story and part 1-story dwellings that range in size from 2,962 to 3,769 square feet of living area. The dwellings were built from 2002 to 2008. Each home features a basement, three with finished area. Each comparable also features central air conditioning, one to three fireplaces, and a garage ranging in size from 548 to 721 square feet of building area. The comparables sold from January 2015 to November 2017 for prices ranging from \$965,000 to \$1,025,000 or from \$271.96 to \$329.17 per square foot of living area, including land. The comparables have improvement assessments ranging from \$211,400 to \$263,500 or from \$69.81 to 74.82 per square foot of living area. The board of review also submitted Illinois Real Estate Transfer Declaration (PTAX-203) forms associated with each of the parties' sales and the property record cards for each of the parties' comparables. Lastly, the board of review through the township assessor submitted a narrative contending that the board of review comparables are more similar to the subject in terms of proximity to the subject and/or dwelling size.

On rebuttal, the appellants submitted a narrative reiterating the initial argument that the subject's sale price in 2014 between a willing buyer and a willing seller is the best indicator of market value. Moreover, the appellants critiqued the board of review comparables as being newer in age relative to the subject dwelling.

Robert & Kristen France both testified before the Property Tax Appeal Board. They contended that the assessor's office had unjustifiably increased their 2017 tax year assessment in order to make up for previous years of underassessing the subject property. Specifically, the appellants argued that the assessor's office purportedly did not assess the addition and renovations that were done in 2004, although they assert that there is no evidence of underassessment. The appellants also argued that the board of review misrepresented the appellants' lack of participation at the board of review hearing; that the board of review falsely claimed that they have offered some relief in the assessment; and that the board of review inappropriately ignored the appraiser's comparables and, instead, "cherry picked" only the comparables that support the assessment. The appellants further argued that for the 2017 tax year, the assessor increased the subject's assessment by approximately 30% which was not done to any other property in the subject's neighborhood. Finally, the appellants contend that their comparables are more similar to the subject property. Based on this evidence and testimony, the appellants requested a reduction to the subject's improvement assessment.

Representing the board of review was board member, Donald Whistler. Mr. Whistler called Downers Grove Township Chief Deputy Assessor, Anthony Pacilli, as a witness to testify regarding the evidence he prepared on behalf of the board of review. Mr. Pacilli testified that the subject's property record card depicts that for the 2017 tax year, the township assessor began

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assessing for the 1,367 square foot addition that was built in 2004 and corrected the amount of finished basement area from 100% down to 25%. The increase in the 2017 tax year was due to a correction of the omission of assessment of the said addition which was not previously assessed. Mr. Pacilli summarized the four comparables and argued that the board of review comparables are more similar to the subject than the comparables submitted by the appellants and their appraiser. The board of review also objected on the grounds of hearsay as to the admission of the appraiser's report into evidence.

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

On cross examination, Mr. Pacilli was questioned about the lack of reassessment of the subject property's addition for 12 years prior to 2017 tax year. Mr. Pacilli pointed to the property record card as evidence that the 2004 addition to the home was discovered in 2016 and added to the property record card for the 2017 tax year.

Conclusion of Law

The appellants contend in part 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 appellants did not meet this burden of proof and a reduction in the subject's assessment is not warranted on the grounds of overvaluation.

As an initial matter, the appellants' argument that the increase in the subject's market value of approximately 30% from 2016 to 2017 tax year is to make up for 12 years of underassessment of the subject property has been given little weight by the Property Tax Appeal Board. The Board finds that the mere fact that an assessment increases from one year to the next does not of itself establish the assessment is unfair, incorrect, or "deceptive" as the appellants argue. The Property Tax Appeal Board finds Section 9-75 of the Property Tax Code provides that the township assessor may in any year, revise and correct an assessment **as appears to be just**. (35 ILCS 200/9-75). The Board further finds that Section 9-205 of the Property Tax Code mandates that assessors (and boards of review) are required by the Property Tax Code to revise and correct real property assessments in any given year, to reflect fair market value, maintain uniformity of assessments, and are fair and just. (35 ILCS 200/9-205). The evidence in the record suggests that a correction was made to the subject's assessment for the 2017 tax year (as depicted on the subject's property record card) to include the 1,367 square foot addition to the subject dwelling which was not previously assessed. The Board finds that large increases in an assessment from one year to the next does not in and of itself indicate that a particular property is inequitably assessed and/or overvalued. The assessment methodology and actual assessments together with their salient characteristics of properties must be compared and analyzed to determine whether uniformity of assessments or overvaluation exists. The remainder of this decision will address whether the appellants were able to demonstrate the assessment at issue was incorrect based upon relevant, credible and probative market data.

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As to the appellants' appraisal report, the appraiser was not present at the hearing to testify as to his qualifications, to identify his work, to testify about the contents of the evidence, the basis for the adjustments, the conclusions reached, or to be cross-examined by the board of review and the Property Tax Appeal Board. During the hearing, the board of review objected to the introduction of the appraisal report into evidence. The Board finds the appraiser's adjustments and conclusions of value are hearsay that did not fall within any exception to the hearsay rule and, therefore, will be given no weight. Furthermore, the Board finds the appraiser's report which is dated April 4, 2014 is outdated considering the January 1, 2017 lien date at issue, further undermining the appraiser's opinion of value as of the said assessment date. However, the Board will consider the raw sales data submitted by the appraiser.

The appellant submitted a total of six comparable sales (including the appraiser's three comparable sales), and the board of review submitted four comparable sales in support of their respective positions before the Property Tax Appeal Board. The Board gave less weight to the appraiser's three comparable sales which occurred in 2013 and 2014, dates too remote in time to accurately reflect the subject's market value as of the January 1, 2017 assessment date at issue.² In addition, the Board gave reduced weight to appellant's comparables, along with board of review comparable #4 as each of these properties lack a finished basement area which is a feature of the subject dwelling. Moreover, appellants' comparables #2 and #3 are significantly larger, and board of review comparable #4 is significantly smaller in dwelling sizes relative to the subject dwelling.

On this record the Board finds that the best evidence of market value to be the board of review comparables #1, #2, and #3 which are most similar to the subject in location, dwelling size, finished basement area, and most features. These three best comparables in the record also sold proximate in time to the subject's lien date at issue. However, these three best comparables in the record have larger basements with larger finished area relative to the subject, suggesting that downward adjustments should be considered to these comparables in order to make them more equivalent to the subject. The best comparables in this record sold from January to November 2017 for prices ranging from \$965,000 to \$1,025,000 or from \$271.96 to \$295.35 per square foot of living area, including land. The subject's assessment reflects a market value of \$909,000 or \$254.69 per square foot of living area, including land, which is below the range established by the most similar comparable sales in this record both on a total market value basis and on a price per square foot of living area basis. The Board finds that the subject's lower assessment in relation to the three best comparables in this record is logical given the subject's smaller basement and smaller finished basement area. Based on this evidence, and after considering adjustments to the comparables for differences from the subject, the Board finds that the appellants did not demonstrate by a preponderance of the evidence that the subject property is overvalued and, therefore, a reduction in the subject's assessment is not warranted on the basis of overvaluation.

The taxpayers also marked assessment inequity on the residential appeal form as an alternate 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

² As to the appraiser's two listings, the Board gave no weight to these comparables as there is no evidence in the record that these properties sold, thus establishing fair market value.

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

The parties' comparables submitted in support of their market value arguments contained improvement assessment information. For similar reasons discussed above, the Board finds that the best evidence of assessment equity to be the board of review comparables #1, #2, and #3. These three best comparables have improvement assessments ranging from \$248,760 to \$263,500 or from \$69.81 to 74.82 per square foot of living area. The subject's improvement assessment of \$227,330 or \$63.70 per square foot of living area and falls below the range established by the best equity comparables in this record. After considering necessary adjustments to the comparables for differences in some features when compared to the subject, such as size of basement and amount of basement finished area, the Board finds that the appellants did not demonstrate by clear and convincing evidence that the subject's improvement is inequitably assessed. Therefore, the Board finds that no reduction in the subject's improvement is warranted on the basis of uniformity.

Lastly, as to the subject's sale on May 16, 2014 for a price of \$780,000, there is no dispute by the parties that the subject's sale is an arm's-length transaction and that the sale price represented a fair market value **as of the date of the sale**. However, the question before the Property Tax Appeal Board is the fair market value of the subject property **as of January 1, 2017**. The Board finds that the best evidence in the record consisting of three most similar comparable properties which sold more proximate in time to the subject's lien date at issue than the subject's sale in 2014 suggest that the subject's market value as of January 1, 2017 as reflected by the assessment is supported. Therefore, the Board finds that a reduction to the subject's assessment is not warranted.

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APPELLANT:	<u>Lou Franchi</u>
DOCKET NUMBER:	<u>19-06478.001-R-1</u>
DATE DECIDED:	<u>April 2022</u>
COUNTY:	<u>Lake</u>
RESULT:	<u>Reduction</u>

The subject property consists of a two-story dwelling of frame and masonry construction with 2,620 square feet of living area.¹ The dwelling is approximately 29 years old. Features of the home include a basement with finished area, central air conditioning, a fireplace, and a 2-car garage. The property has an 11,135 square foot site and is located in Buffalo Grove, Vernon 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 \$415,000 as of January 1, 2019. The appraisal was prepared by Gary Nusinow, a certified general real estate appraiser, for the purpose of estimating the market value of the subject property as of January 1, 2019 for *ad valorem* tax purposes.

Under the sales comparison approach, the appraiser analyzed the sales of six comparables located from 0.20 to 0.54 of a mile from the subject property. The parcels range in size from 6,825 to 13,275 square feet of land area and are improved with Colonial, Traditional, or Dutch Colonial homes of frame and masonry or frame, brick, and masonry construction ranging in size from 2,220 to 2,573 square feet of living area. The dwellings are from 30 to 34 years old. Each home has a basement with finished area, central air conditioning, and a 2-car garage. Five of the homes each have a fireplace. The comparables sold from March 2017 to January 2019 for prices ranging from \$370,000 to \$473,000 or from \$149.80 to \$202.70 per square foot of living area, including land.

The appraiser adjusted the comparables for various considerations, including credits at closing, and for differences from the subject, such as location, view, dwelling size, room count, basement finish, and other amenities. This process resulted in adjusted sales prices ranging from \$376,500 to \$439,500. Based on the foregoing sales and adjustment process, Nusinow set forth an opinion of market value for the subject of \$415,000 or \$158.40 per square foot of living area, including land, as of January 1, 2019 under the sales comparison approach.

The appellant submitted a brief summarizing the appraisal report, including reiterating the appraiser's description of the subject property, the appraiser's conclusion that sales in the neighborhood support stable residential property prices, and the appraiser's adjustments.

The appellant also submitted a copy of the decision of the board of review disclosing the subject property had a total assessment of \$155,030 reflecting a market value of \$471,359 or \$179.91 per square foot of living area, including land, when using the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue.

¹ Descriptive data regarding the subject property is drawn from the appraisal presented by the appellant. The board of review was defaulted and submitted no evidence herein.

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

The board of review did not submit its "Board of Review Notes on Appeal" nor any evidence in support of its assessed valuation of the subject property and was found in default by a letter issued on June 3, 2021.

In written rebuttal, the appellant argued that the appraised value of the subject property was not challenged by the board of review and should be determined by the Board to be the subject's market value for the 2019 assessment year.

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 based upon consideration of the recent sales in the appellant's appraisal report.

The only evidence of market value in this record is the appraisal submitted by the appellant. The Board gives reduced weight to the value conclusion contained within the appellant's appraisal which relied on a total of six sales, three of which occurred less proximate in time to the January 1, 2019 assessment date at issue in this appeal. Given Nusinow's reliance on three sales that occurred in 2017, the Board finds that the appraisal fails to produce a credible and/or reliable indicator of the subject's estimated market value as of the assessment date at issue. Having made this determination, the Property Tax Appeal Board will examine the raw sales data presented in the appraisal that occurred most proximate in time to the valuation date and which are most similar to the subject property.

The record contains a total of six comparable sales for the Board's consideration. The Board gives less weight to the appraisal sales #3, #4, and #6, which sold more remote in time from the assessment date.

The Board finds the best evidence of market value in the record to be the appraisal sales #1, #2, and #5, which are similar to the subject in dwelling size, age, location, and most features. These most similar comparables sold from October 2018 to January 2019 for prices ranging from \$387,000 to \$432,500 or from \$156.68 to \$168.09 per square foot of living area, including land. The subject's assessment reflects a market value of \$471,359 or \$179.91 per square foot of living area, including land, which is above the range established by the best comparable sales in the record. The board of review did not submit any evidence in support of its assessment of the subject property as required by section 1910.40(a) of the rules of the Board and is found to be in default pursuant to section 1910.69(a) of the rules of the Board. 86 Ill.Admin.Code §1910.40(a) & §1910.69(a). On this limited record, the Board finds that a reduction in the assessed valuation of the subject property is justified.

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APPELLANT:	George Huasen
DOCKET NUMBER:	19-24810.001-R-1
DATE DECIDED:	November 2022
COUNTY:	Cook
RESULT:	Reduction

The subject property consists of a 13,200 square foot parcel of land that was improved on January 1, 2019 with a 106-year-old, two-story, frame and masonry, single-family dwelling. The property is located in Wilmette, New Trier Township, Cook County and is classified as a class 2 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on a contention of law. The appellant asserts that the subject was purchased in December 2018 and demolished in April 2019. To support this claim, the appellant submitted copies of the demolition permit with an expiration date of April 18, 2020, black and white photographs of the demolition dated from April 24 to May 7, 2019, and an invoice for the demolition and clean-up of the subject improvement dated June 4, 2019. The appellant argues that because of the demolition of the improvement, the subject's improvement assessment should be prorated to only the time prior to the demolition.

The board of review submitted its "Board of Review Notes on Appeal" disclosing a total assessment of \$101,000 which reflects a market value of \$1,010,000 using the Cook County Real Estate Classification Ordinance level of assessment for class 2 property of 10%. In support of the current assessment, the board of review submitted three comparables.

Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation along with a contention of law concerning demolition of the original structure. 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. The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The appellant does not refute the assessment of the property as of January 1, 2019. The appellant submitted evidence that the subject was demolished on or about April 24, 2019 to make way for new construction. As to the appellant's claim for reduced assessment on the improvement due to its demolition as of April, 2019, Section 9-160 of the Property Tax Code (35 ILCS 200/9-160) is relevant and provides in pertinent part:

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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. [Emphasis added.]

Section 9-180 of the Property Tax Code provides:

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. . . Computations for this Section shall be on the basis of a year of 365 days.

The appellant has submitted sufficient evidence to show that the subject property was demolished on or about April 24, 2019 and that the subject property is entitled to a diminution in assessed value after the demolition. Therefore, the Property Tax Appeal Board finds a pro rata reduction in the subject's improvement assessment is warranted on this record based on a year of 365 days.

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APPELLANT:	Irving Park Oriole Manner Condo Assn
DOCKET NUMBER:	18-33538.001-R-1 thru 18-33538.009-R-1
DATE DECIDED:	July 2022
COUNTY:	Cook
RESULT:	No Change

The subject property consists of nine units within an 11-year-old, multi-story, masonry, 14-unit condominium building. The property is located in Chicago, Jefferson Township, Cook County and is classified as a class 2-99 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends inequity as the basis of the appeal. In support of the equity argument, the appellant submitted five comparables. The comparables are described as one and one-half or two-story, frame or frame and masonry, multi-family dwellings. They range in age from 73 to 95 years; in size from 1,408 to 1,500 square feet of building area; and in improvement assessment from \$11.00 to \$12.86 per square foot of building area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment of \$218,302 with an improvement assessment of \$166,254.

In support of the current assessment, the board of review submitted the sales of three units located within the subject building that sold from 2016 to 2018 for a total value of \$829,500. The board of review then applies the percentage of ownership of the units sold of 22.48% to arrive at a value for the building of \$3,689,946

The board of review also submitted a supplemental brief with a Motion to Dismiss for lack of standing. The board of review argues that only a taxpayer or owner has standing to appeal an assessment. The Board denies this motion as the condominium units are not individually owned under the jurisdiction of an association, but a condominium association where the owners share ownership of the common areas.

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 failed to submit properties comparable to the subject. The appellant's comparables are multi-family buildings in which there is one owner, and the building is sold and assessed as a whole. In comparison, the subject units are individually owned and can be sold independently of the whole building. This characteristic is significantly different than the

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properties submitted by the appellant and, therefore, not comparable. Moreover, the appellant failed to provide detailed information on each unit. 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 improvements is not justified.

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APPELLANT:	<u>Dale Knutell</u>
DOCKET NUMBER:	<u>20-00738.001-R-1</u>
DATE DECIDED:	<u>September 2022</u>
COUNTY:	<u>Lake</u>
RESULT:	<u>No Change</u>

The subject is improved with two dwellings situated on a 16,200 square foot site. Dwelling #1 is a 1-story home of wood siding exterior construction with 872 square feet of living area.¹ Dwelling #1 was constructed in 1949 and features a full basement and a 264 square foot attached garage. Dwelling #2 is a 1-story home of vinyl siding exterior construction with 1,354 square feet of living area. Dwelling #2 was constructed in 1980 and features a full basement. The property is located in Zion, Zion Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on five comparable sales² located from 0.49 of a mile to 1.13 miles from the subject property. The parcels range in size from 8,446 to 10,001 square feet of land area and are improved with 1-story homes ranging in size from 672 to 1,038 square feet of living area. The dwellings were built from 1939 to 1956. Each home has a basement. Three homes have central air conditioning and one home has a fireplace. Four comparables each have a garage ranging in size from 440 to 660 square feet of building area. The comparables sold from May 2019 to February 2020 for prices ranging from \$80,000 to \$125,000 or from \$89.07 to \$147.32 per square foot of living area, including land.

The appellant submitted a brief contending that comparables #2 and #3 were recently rehabbed as depicted in listing sheets for these properties presented by the appellant.

Based on this evidence the appellant requested a reduction in the subject's assessment to \$39,236 which would reflect a market value of \$117,720 or \$52.88 per square foot of living area,³ including land, when applying 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 \$68,275. The subject's assessment reflects a market value of \$205,092 or \$92.13 per square foot of living area, land included, when using the 2020 three year average median level of assessment for Lake County of 33.29% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted multiple grid analyses. One grid contains information on four comparable sales for Dwelling #1, where

¹ Additional details regarding the subject property not reported or not correctly set forth by the appellant are found in the subject's property record card presented by the board of review.

² The appellant presented six comparables but only provided sales data for five comparables. It is unclear whether these comparables relate to Dwelling #1, Dwelling #2, or both dwellings as the appellant describes the age and garage of Dwelling #1 but describes the dwelling size of Dwelling #2.

³ The price per square foot has been calculated based on the subject's combined 2,226 square feet of living area for both dwellings on the subject property.

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comparable #1 and #2 are the same properties as the appellant's comparables #5 and #4, respectively. These comparables are located within the same assessment neighborhood code as the subject property. The parcels range in size from 8,520 to 12,670 square feet of land area and are improved with 1-story homes of aluminum, vinyl, or wood siding exterior construction ranging in size from 656 to 1,008 square feet of living area. The dwellings were built from 1932 to 1952. Two homes each have a basement, one home has a crawl space foundation, and one home has a concrete slab foundation. Three homes have central air conditioning and one home has a fireplace. Each comparable has a garage ranging in size from 264 to 528 square feet of building area. The comparables sold from June 2019 to March 2020 for prices ranging from \$80,000 to \$125,000 or from \$112.10 to \$147.32 per square foot of living area, including land.

The board of review also submitted two grid analyses containing information on ten comparable sales for Dwelling #2, which for ease of reference have been renumbered as comparables #1 through #10.⁴ Comparable #4 is the same property as the appellant's comparable #3. These ten comparables are located within the same assessment neighborhood code as the subject property. The parcels range in size from 7,800 to 12,670 square feet of land area and are improved with 1-story homes of brick, aluminum siding, or wood siding exterior construction ranging in size from 1,008 to 1,232 square feet of living area. The dwellings were built from 1952 to 1985. Eight homes each have a basement and two homes each have a crawl space foundation. Seven homes have central air conditioning and three homes each have one or two fireplaces. Each comparable has a garage ranging in size from 384 to 864 square feet of building area. The comparables sold from April 2019 to December 2020 for prices ranging from \$104,900 to \$167,900 or from \$101.06 to \$145.19 per square foot of living area, including land.

The board of review submitted a brief highlighting that the subject property is improved with two dwellings, along with copies of the subject's property record card detailing each of the dwellings.

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.

As an initial matter, the Board notes that none of the properties presented by the parties is improved with two dwellings like the subject parcel. Moreover, the Board finds that the appellant failed to disclose that there are two dwellings on the subject parcel, even though the appellant had an opportunity to submit rebuttal evidence to challenge the board of review's contention that the subject property is improved with two dwellings. Consequently, the Board will address each improvement separately based on the comparables presented in the record.

⁴ Comparable #5 for Dwelling #2 is the same property as comparable #4 for Dwelling #1.

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With respect to Dwelling #1, the record contains a total of seven comparable sales, with two common sales, for the Board's consideration. The Board gives less weight to the appellant's comparable #2, the appellant's comparable #5/board of review's comparable #1, and the board of review's comparables #3 and #4, due to substantial differences from Dwelling #1 in dwelling size, foundation type, and/or garage amenity.

The Board finds the best evidence of market value for Dwelling #1 to be the appellant's comparables #1 and #3 and the appellant's comparable #4/board of review's comparable #2, which are relatively similar to Dwelling #1 in dwelling size, age, location, and some features, although these comparables have much larger garages than Dwelling #1 and two of these comparables have central air conditioning unlike Dwelling #1, suggesting downward adjustments would be needed to make these properties more similar to Dwelling #1. These most similar comparables sold from May 2019 to February 2020 for prices ranging from \$88,000 to \$125,000 or from \$89.07 to \$146.71 per square foot of living area, including land.

With respect to Dwelling #2, the record contains a total of fourteen comparable sales, with one common sale, for the Board's consideration. The Board gives less weight to the appellant's comparables #1, #2, #4, and #5, the appellant's comparable #3/board of review's comparable #4, and the board of review's comparables #1, #3, #5, due to substantial differences from Dwelling #2 in dwelling size and/or age.

The Board finds the best evidence of market value for Dwelling #2 to be the board of review's comparables #2 and #6 through #10, which are more similar to Dwelling #2 in dwelling size and age, although these comparables are smaller and older homes than Dwelling #2, suggesting upward adjustments would be needed to make these properties more similar to Dwelling #2. However, these comparables have garages and three of these comparables have central air conditioning, which are not features of Dwelling #2, suggesting downward adjustments for these features would be needed to make these comparables more similar to Dwelling #2. These most similar comparables sold from July 2019 to December 2020 for prices ranging from \$118,500 to \$167,900 or from \$105.80 to \$145.19 per square foot of living area, including land.

The most similar comparables for Dwelling #1 and Dwelling #2 have combined sale prices ranging from \$206,500 to \$292,900. The subject's assessment reflects a market value of \$205,092 or \$92.13 per square foot of living area, including land, which is just below the range established by the best comparable sales in this record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences when compared to the subject, the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	Lawrence Mertes
DOCKET NUMBER:	19-02708.001-R-1
DATE DECIDED:	June 2022
COUNTY:	DuPage
RESULT:	No Change

The subject property consists of a 2-story dwelling of frame and brick exterior construction containing 2,360 square feet of living area. The dwelling was constructed in 1994 and is approximately 25 years old. Features of the home include an unfinished basement, central air conditioning, a fireplace, a 2-car garage containing 420 square feet of building area, and an enclosed screened porch containing 144 square feet of living area. The property has an 8,583 square foot site and is located in Naperville, Naperville Township, DuPage County.

The appellant, Lawrence Mertes, appeared before the Property Tax Appeal Board contending overvaluation and inequity in assessment with regard to both land and improvement assessments as the bases of the appeal.¹ In support of these arguments, the appellant submitted descriptions and assessment information on eight comparables containing both sales and assessment data. Two comparables are located in Naperville and the remaining comparables are located in Aurora. The comparables are improved with 2-story single-family dwellings that range in size from 2,377 to 3,005 square feet of living area. The dwellings are of frame exterior construction and range in age from 19 to 41 years old. Features include basements with two comparables having a finished area. Other features include central air conditioning and a 2-car garage. Seven comparables have one or two fireplaces. These properties have sites ranging in size from 7,200 to 26,502 square feet of land area. The comparables sold from November 2017 to April 2019 for prices ranging from \$280,000 to \$360,000 or from \$112.53 to \$142.03 per square foot of living area, including land.

These comparables had land assessments ranging from \$15,060 to \$44,310 or from \$1.17 to \$3.32 per square foot of land area and improvement assessments ranging from \$70,010 to \$126,790 or from \$28.99 to \$44.39 per square foot of living area.

Mertes testified that he is the original owner of the subject property and has not made any major improvements to the home since it was built in 1994. The home has the original carpet except in the family room. Mertes testified that the school is directly behind his home and the sewer is in the middle of his backyard. The appellant noted that in the previous years, he has had a reduction in the total assessment, but for the 2019 tax year, his property's assessment increased by 12% compared to the previous tax year assessment. Based on this evidence and testimony, the appellant requested an assessment reduction to his land and home.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$132,220. The subject's assessment reflects a market value of

¹ Although the appellant requested an assessment reduction to both land and improvement (dwelling), the record does not contain evidence of land sales. Therefore, the Property Tax Appeal Board will analyze and determine the value of the subject property with land and improvement together. See Showplace Theatre Company v. Property Tax Appeal Board, 145 Ill.App.3d. 774 (2nd Dist. 1986).

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\$400,788 or \$169.83 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for DuPage County of 32.99% as determined by the Illinois Department of Revenue. The subject has an improvement assessment of \$97,550 or \$41.33 per square foot of living area and a land assessment of \$34,670 or \$4.04 per square foot of land area.

In support of its contention of the correct assessment, the board of review submitted, through the township assessor, information on six comparable properties all located in the City of Naperville and either in the same neighborhood or adjacent neighborhood as the subject property. The comparables are improved with 2-story dwellings of frame or frame and brick exteriors that range in size from 1,990 to 2,552 square feet of living area. The dwellings were built from 1987 to 1996. Each home features an unfinished basement, a fireplace and a 2-car garage ranging in size from 400 to 480 square feet of building area. The comparables sold from May 2018 to June 2019 for prices ranging from \$385,000 to \$420,000 or from \$160.66 to \$193.47 per square foot of living area, including land. The comparables have land assessments ranging from \$32,510 to \$40,740 or from \$3.71 to \$4.78 per square foot of land area, and improvement assessments ranging from \$84,040 to \$100,260 or from \$39.29 to \$42.23 per square foot of building area.

Representing the board of review was Mr. Donald Whistler. Mr. Whistler called Naperville Township Deputy Assessor Paul DeMoon as a witness to testify regarding the evidence he prepared on behalf of the board of review. Mr. DeMoon testified that the year 2019 was the beginning of a new quadrennial where all the properties in the Naperville Township were reassessed. Any property that was considered to be an outlier in terms of being underassessed was reviewed and, where necessary, “brought back up” in line with other similar properties. Mr. DeMoon explained that this is the reason why some properties such as the appellant’s may have a higher percentage increase than their neighbors. Mr. DeMoon testified that each of the board of review comparables were in close proximity to the subject and similar in characteristics to the subject property. With regard to the appellant’s comparables, DeMoon added that six of the appellant’s eight comparables are located in the City of Addison which is a less desirable market area than Naperville where the subject property is located. He added that Naperville is a “destination city” to where people will seek to move due to highly-rated schools and other desirable city amenities.

Based on this evidence and testimony, the board of review requested that the subject’s land and improvement assessments be confirmed.

On cross examination, Mr. DeMoon was questioned about the upgrades to the board of review comparables as depicted by the corresponding MLS data sheets. He testified that in conducting a mass appraisal, the township has 36,000 parcels and is not privy to the inside of each home. For this reason, the township assessor presumes that each dwelling is in “average” condition unless there is additional information presented to indicate otherwise.

In written rebuttal, the appellant submitted photographs and the description of the properties from the Multiple Listing Service (MLS) depicting that the board of review comparables have newer features and/or upgrades such as higher ceilings, upgraded molding, floors, doors and windows and appliances. The appellant testified as to the specific amenities described in the MLS listing sheets associated with each of the board of review comparables that the subject property lacks.

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Upon questioning by the Administrative Law Judge, the appellant stated that he did not submit any pictures of the interior or the exterior of subject property for this tax year appeal.

Conclusion of Law

The appellant contends in part 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 on the grounds of overvaluation.

As an initial matter, the appellant's argument concerning the increase in the subject's assessment from 2018 to 2019 by a purported 12% has been given no weight by the Property Tax Appeal Board. The Board finds that the mere fact that an assessment increases from one year to the next does not of itself establish the assessment is incorrect. Moreover, the Board recognizes that tax year 2019 was the start of the new general assessment cycle in Naperville Township wherein assessing officials are required to revalue properties. Furthermore, the remainder of this decision will address whether the appellant was able to demonstrate the assessment at issue was incorrect based upon relevant, credible and probative market data. Lastly, the Board finds rising or falling assessments from year to year on a percentage basis do not indicate whether a particular property is inequitably assessed and/or overvalued. The assessment methodology and actual assessments together with their salient characteristics of properties must be compared and analyzed to determine whether uniformity of assessments or overvaluation exists. The Board finds assessors and boards of review are required by the Property Tax Code to revise and correct real property assessments annually, if necessary, that reflect fair market value, maintain uniformity of assessments, and are fair and just. This may result in many properties having increased or decreased assessments from year to year of varying amounts and percentage rates depending on prevailing market conditions and prior year's assessments. Therefore, the Board gives this aspect of the appellant's argument no weight.

The parties submitted a total of fourteen comparable sales for the Board's consideration. The Board gave less weight to the appellant's comparable sales #1, #2, #3, #5, #7, and #8 as each of these properties is located outside of the subject's city and not as likely to be reflective of the subject's fair market value as the remaining comparables that are located in closer proximity and in similar market area as the subject. Furthermore, the appellant's comparable #2 sold in 2017, which is dated and less indicative of fair market value as of the subject's January 1, 2019 assessment date. In addition, the Board gave less weight to appellant's comparable #6 based on its significantly larger dwelling size, and board of review comparable #2 based on its meaningfully smaller dwelling size relative to the subject.

The Board finds the best evidence of market value to be appellant's comparable sale #4, along with the board of review comparables #1, #3, #4, #5, and #6. These sales are similar in location, dwelling size, age and features. However, most of these properties have upgrades or improvements which the subject lacks suggesting that downward adjustments should be considered to these comparables for these superior features in order to make them more equivalent to the subject.

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These most similar comparables sold for prices ranging from \$343,000 to \$420,000 or from \$142.03 to \$191.52 per square foot of living area, including land. The subject's assessment reflects a market value of \$400,788 or \$169.83 per square foot of living area, including land, which is within the range established by the most similar comparable sales in this record both on a total market value basis and on a price per square foot of living area, including land, basis. Based on this evidence, and after considering adjustments to the comparables for differences from the subject, the Board finds that the appellant did not demonstrate by a preponderance of the evidence that the subject property is overvalued and, therefore, a reduction in the subject's assessment is not warranted on the basis of overvaluation.

The taxpayer also contends unequal treatment in the subject's land and building assessments as an alternate 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 land or improvement assessments is not warranted on the grounds of equity in assessment.

The parties submitted the same comparables in support of their assessment equity arguments. For similar reasons mentioned above, the Board finds that the best evidence of assessment equity to be the board of review comparables #1, #3, #4, #5, and #6 which are in close proximity to the subject property and are overall most similar in site size, dwelling size, age and features. As to appellant's comparables #4 and #6 which are the only two of the appellant's comparables located in close proximity to the subject, each of these has a site size that is larger than the subject's lot and were therefore given reduced weight as the appellant is requesting a reduction in the land assessment and, thus, the Board will consider the sites most similar to the subject in size and location. The best equity comparables in the record have land assessments ranging from \$32,510 to \$40,740 or from \$3.71 to \$4.48 per square foot of land area, and improvement assessments ranging from \$88,090 to \$100,260 or from \$39.29 to \$40.59 per square foot of living area. The subject's land assessment of \$34,670 or \$4.04 per square foot of land area and improvement assessment of \$97,550 or \$41.33 per square foot of living area and falls substantially within the range established by the best equity comparables in this record. Although the subject's improvement assessment on a per square foot of living area basis is slightly above the range, the subject has an enclosed screened porch which the comparables lack. After considering necessary adjustments to the comparables for differences in some features when compared to the subject, the Board finds that the appellant did not demonstrate by clear and convincing evidence that the subject is inequitably assessed. Therefore, the Board finds that the subject's land and improvement assessments are supported, and no reduction is warranted on the basis of assessment equity.

Lastly, constitutional provision for uniformity of taxation and valuation does not require mathematical equality. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395 (1960). Although the best comparables in the record disclosed that 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.

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APPELLANT:	<u>Gregory Pec</u>
DOCKET NUMBER:	<u>20-05815.001-R-1</u>
DATE DECIDED:	<u>August 2022</u>
COUNTY:	<u>Kendall</u>
RESULT:	<u>Reduction</u>

The parties appeared before the Property Tax Appeal Board on July 11, 2022 for a hearing pursuant to prior written notice dated May 6, 2022. Appearing on behalf of the appellant was attorney Jeffrey G. Hertz and appearing on behalf of the Kendall County Board of Review was Assistant State’s Attorney James Webb, along with the board of review’s witness Andy Nicoletti, Kendall County Supervisor of Assessments with a CIAO-M designation.

The subject property consists of a 2-story dwelling of frame exterior construction with 2,666 square feet of living area. The dwelling was constructed in 1987 and is approximately 33 years old. Features of the home include a full basement with finished area, central air conditioning, a fireplace, a 504 square foot attached garage, and a 600 square foot detached garage.² The property has an approximately 47,677 square foot, or 1.09 acre, site and is located in Oswego, Oswego Township, Kendall County.

The appellant's appeal is based on both a contention of law and overvaluation. The appellant submitted evidence disclosing the subject property was purchased on June 15, 2018 for a price of \$345,000. In Section IV – Recent Sale Data of the appeal petition, the appellant disclosed the subject property was purchased from Rodney and Jo Ellen Moss and was not a sale between family members or related corporations. The appellant further disclosed the subject property was advertised for sale through a realtor on the Multiple Listing Service for 4 days, was not sold due to foreclosure, and was not sold using a contract for deed. In support of the transaction, the appellant submitted a Real Estate Transfer Declaration and a Warranty Deed. The appeal petition also disclosed that the subject property is an owner-occupied residence.

The appellant submitted a brief asserting that the subject’s 2019 assessment as determined by the board of review should be carried forward to the 2020 tax year. The appellant explained that the subject’s 2019 assessment had been reduced by the board of review to \$115,000 to reflect the June 2018 purchase price. The appellant acknowledged the construction of an improvement at the subject property since the purchase and agreed that the addition of \$3,600 to the subject’s 2020 assessment to reflect the new improvement was appropriate.³ The appellant argued that the only properties in the subject’s neighborhood with increased assessments from 2019 to 2020 were those for which the board of review granted reductions in 2019. The appellant presented documents obtained from the township assessor’s office, including a spreadsheet of 2019 and 2020 assessments in the subject’s neighborhood and a cover sheet from the township assessor’s office. The spreadsheet depicts that only the subject and two other properties in the subject’s

² Additional details regarding the subject property not reported by the appellant are found in the subject’s property record card presented by the board of review.

³ At hearing, Nicoletti clarified that this new improvement is the subject’s detached garage, which is shown in a sketch contained in the subject’s property record card and in a photograph presented by the board of review.

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neighborhood had increases in their assessments from 2019 to 2020. The cover sheet explains that the subject's assessment increased from 2019 to 2020 due to "temporary purchase price reduction expired" and the addition of a shed and that two other properties' assessments increased in 2020 due to "2019 BOR decision reversed."⁴ The cover sheet also described one newly constructed property as being fully assessed in 2020 after being prorated the prior year.

At hearing, Hertz argued on behalf of the appellant that the subject's 2019 assessment should be carried forward to 2020 pursuant to Section 16-80 of the Property Tax Code (35 ILCS 200/16-80). Hertz asserted the board of review reduced the subject's 2019 assessed value to \$115,000 to reflect the June 2018 purchase price, which was an arms' length transaction and was not disputed by the board of review. Hertz further asserted the subject is an owner-occupied residence and the decision of the board of review was not reversed or modified on review. As depicted in the township assessor's documents presented by the appellant, Hertz argued that only three properties in the subject's neighborhood, including the subject, were reassessed from 2019 to 2020, namely, the three properties which received reductions from the board of review in 2019. Hertz contended that the board of review did not show substantial cause why the 2019 assessment should not be carried forward to the 2020 tax year as required pursuant to Section 16-80 of the Property Tax Code, and consequently, the subject's 2019 assessment should be carried forward to 2020 with the addition of \$3,600 for the newly constructed detached garage.

Based on this evidence and argument, the appellant requested a reduction in the subject's assessment to \$118,600, which would reflect the subject's 2019 tax year assessment plus the new improvement assessment of \$3,600 at the applicable township multiplier of 1.00.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$126,667. The subject's assessment reflects a market value of \$382,103 or \$143.32 per square foot of living area, land included, when using the 2020 three year average median level of assessment for Kendall County of 33.15% as determined by the Illinois Department of Revenue. Additionally, the board of review disclosed that 2019 was the first year of the general assessment cycle for the subject property.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales, together with property record cards for these comparables and a map depicting the locations of these comparables in relation to the subject. The comparables are located from "2 doors" to 0.75 of a mile from the subject and two comparables are located within the same subdivision as the subject. The parcels range in size from 52,153 to 58,938 square feet of land area and are improved with 2-story homes of frame or frame and brick exterior construction ranging in size from 2,561 to 2,775 square feet of living area. The dwellings range in age from 30 to 33 years old. Each home has a basement, central air conditioning, and a garage ranging in size from 462 to 708 square feet of building area. Two comparables each have a fireplace. The comparables sold from July 2019 to August 2020 for prices ranging from \$390,000 to \$400,000 or from \$143.24 to \$152.28 per square foot of living area, including land. At hearing, Nicoletti highlighted that two of these comparables are located within the subject's neighborhood and were sold after the appellant's purchase of the subject property.

⁴ At hearing, Hertz and Nicoletti both expressed their understanding that "2019 BOR decision reversed" meant that the township assessor did not carry the 2019 assessment determined by the board of review to the 2020 tax year.

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The board of review also submitted a brief contending that the June 2018 sale of the subject is too remote in time to be indicative of market value as of the January 1, 2020 assessment date. The board of review further argued that the subject was not entitled to have its 2019 assessment carried forward to 2020 pursuant to Section 16-185 of the Property Tax Code, which requires such carryover only when a reduction is based on a decision of the Property Tax Appeal Board, not a decision of a board of review. (35 ILCS 200/16-185). At hearing, Webb reiterated these arguments on behalf of the board of review. Nicoletti acknowledged that the board of review reduced the subject's 2019 assessment to reflect the June 2018 purchase and that no further appeal or action had been taken to challenge the board of review's decision. Nicoletti testified that 2019 and 2020 are within the same general assessment period and agreed that the subject is an owner-occupied dwelling.

When asked by the Administrative Law Judge what changes were made from 2019 to 2020 to the subject's assessment, Nicoletti identified \$3,600 for the newly built detached garage and affirmed there had been no other physical changes to the subject property from 2019 to 2020. Nicoletti testified the additional increase in the subject's assessment was likely due to assessment uniformity action of the township assessor. Nicoletti further testified that the subject's subdivision had not been reassessed.

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

Conclusion of Law

The appellant's argument is based in part on a contention of law regarding the interpretation and application of Section 16-80 of the Property Tax Code (35 ILCS 200/16-80). The standard of proof on a contention of law is a preponderance of the evidence. (See 5 ILCS 100/10-15). Section 16-80 provides as follows:

In any county with fewer than 3,000,000 inhabitants, if the board of review 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.

35 ILCS 200/16-80.

The Board finds that the subject property is an owner-occupied residence, the 2019 and 2020 tax years are within the same general assessment period, the subject's 2019 assessment was reduced by a decision of the board of review, and an equalization factor of 1.00 was applied in Oswego Township in 2020. Furthermore, the record shows that the board of review's decision for the 2019 tax year was not reversed or modified on review and there was no evidence the subject property recently sold establishing a different fair cash value. The record further shows that an improvement

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was built at the subject property after the appellant's purchase and such improvement has an assessed value of \$3,600, which should be added to the subject's assessment for the 2020 tax year.

Other than the addition of \$3,600 for the new improvement, the Board finds that the board of review did not present sufficient evidence to show substantial cause why the 2019 assessment should not remain in effect for the 2020 tax year. Although the board of review presented three comparable sales to support the subject's 2020 assessment, the board of review failed to overcome the plain language of Section 16-80 of the Property Tax Code.

Accordingly, the Board finds that the subject's 2019 assessment should be carried forward to the 2020 tax year pursuant to Section 16-80 of the Property Tax Code, with the addition of \$3,600 for the newly constructed detached garage. Based on the foregoing, a reduction in the subject's assessment to \$118,600 is justified.

Additionally, notwithstanding the dictates of Section 16-80 of the Property Tax Code, the record contains the June 2018 sale of the subject property presented by the appellant and three comparable sales submitted by the board of review to support their respective positions before the Board. 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 of review's comparables are similar to the subject in dwelling size, age, location, and features, but have larger lots than the subject, suggesting that downward adjustments to these comparables would be necessary to make them more similar to the subject. Moreover, the subject property lacked the second newly built garage when it sold in June 2018. The four sales in this record, including the sale of the subject, occurred from June 2018 to August 2020 for prices ranging from \$345,000 to \$400,000 or from \$129.41 to \$152.28 per square foot of living area, including land. The subject's assessment after reduction reflects a market value of \$357,768 or \$134.20 per square foot of living area, including land, which is within the range of the sales in this record and reflects the addition of the subject's second garage and the subject's smaller lot size as compared to the comparables. After considering appropriate adjustments to the comparables for differences from the subject and the addition of the subject's second garage, the Board finds on this record that the subject property, once reduced as an owner-occupied property pursuant to Section 16-80, is correctly valued for assessment purposes.

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APPELLANT:	<u>Michael Rolnick</u>
DOCKET NUMBER:	<u>19-06347.001-R-1</u>
DATE DECIDED:	<u>April 2022</u>
COUNTY:	<u>Lake</u>
RESULT:	<u>Reduction</u>

The subject property consists of a 2-story dwelling of wood siding exterior construction with 3,048 square feet of living area. The dwelling was constructed in 1921, is 98 years old and has an effective age of 1956. Features of the home include a basement with finished area, central air conditioning, three fireplaces and a 484 square foot garage. The property has an approximately 10,670 square foot site and is located in Highland Park, Moraine Township, Lake County.

The appellant contends assessment inequity, with respect to the improvement assessment, as the basis of the appeal. In support of this argument, the appellant submitted information on four equity comparables located in the same assessment neighborhood code as the subject. The comparables are improved with 2-story or 2.5-story dwellings of brick or stucco exterior construction that range in size from 2,754 to 3,660 square feet of living area. The homes range in age from 83 to 108 years old. Each comparable has a basement, three with finished area, central air conditioning and one or two fireplaces. Three comparables have a garage ranging in size from 323 to 672 square feet of building area.¹ The comparables have improvement assessments that range from \$82,270 to \$104,894 or from \$28.66 to \$29.87 per square foot of living area. Based on this evidence, the appellant requested the subject's improvement assessment be reduced to \$89,916 or \$29.50 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 \$203,524. The subject has an improvement assessment of \$115,904 or \$38.03 per square foot of living area.

In support of its contention of the correct assessment, the board of review submitted information on five equity comparables located in the same assessment neighborhood code as the subject property. As identified in the upper portion of the grid analysis and given that the 2019 assessment of the subject property is not correctly set forth, it appears to the Property Tax Appeal Board that the submission contains assessment details for the 2020 tax year. Since 2020 assessment information is not responsive to a January 1, 2019 assessment appeal, the Board is not able to meaningfully analyze the board of review's equity comparables for this appeal. Based on this 2020 assessment evidence, the board of review requested the subject's 2019 assessment be confirmed.

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

¹ The appellant's grid analysis reports comparable #4 to have "None/360" in the "Garage or carport" line with no further explanation.

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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 met this burden of proof and a reduction in the subject's assessment is warranted.

The parties submitted nine equity comparables for the Board's consideration. The Board gives less weight to the appellant's comparables #1 and #4 which differ from the subject in design, dwelling size, unfinished basement and/or lack of a garage when compared to the subject. The Board also gives no weight to the board of review's comparables as the assessment information submitted refers to tax year 2020, whereas the appellant's appeal is based on a 2019 tax year appeal.

The Board finds the best evidence of assessment equity to be the appellant's comparables #2 and #3 which are more similar to the subject in location, design, dwelling size and features. These comparables have improvement assessments of \$94,280 and \$90,760 or \$29.59 and \$29.78 per square foot of living area, respectively. The subject's improvement assessment of \$115,904 or \$38.03 per square foot of living area falls above the two best comparables in this record. After considering adjustments to the comparables for differences from the subject, including the subject's larger finished basement area, on this somewhat limited record due to the erroneous board of review evidentiary submission, the Board finds the appellant demonstrated with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is justified.

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APPELLANT:	<u>Herbert Straus</u>
DOCKET NUMBER:	<u>20-00454.001-R-1</u>
DATE DECIDED:	<u>October 2022</u>
COUNTY:	<u>Lake</u>
RESULT:	<u>No Change</u>

The subject property consists of a one-story condominium unit of vinyl siding exterior construction with 974 square feet of living area. The dwelling was constructed in 2002. Features of the home include a concrete slab foundation, central air conditioning and a 231 square foot attached garage. The property is located in Round Lake Beach, Avon Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on five comparable sales located within 0.47 of a mile from the subject property. The comparables are improved with one-story condominium units of vinyl siding exterior construction with either 944 or 974 square feet of living area. The dwellings were built from 2000 to 2002. Each comparable has a concrete slab foundation, central air conditioning and either an attached or detached garage with 231 or 233 square feet of building area. The properties sold from March 2019 to August 2020 for prices ranging from \$75,500 to \$122,000 or from \$79.98 to \$125.26 per square foot of living area, land included. The appellant's grid analysis disclosed the subject property sold in June 2019 for a price of \$101,000 or \$103.70 per square foot of living area, land included. Based on this evidence, the appellant requested the subject's assessment be reduced to \$28,330 which reflects a market value of \$84,998 or \$87.27 per square foot of living area, land included, when applying 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 \$31,877. The subject's assessment reflects a market value of \$95,755 or \$98.31 per square foot of living area, land included, when using the 2020 three-year average median level of assessment for Lake County of 33.29% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on 15 comparable sales located within 0.43 of a mile from the subject property.¹ Board of review comparable #1 is the same property as the appellant's comparable #1. The comparables are improved with one-story condominium units of vinyl siding exterior construction each with 974 square feet of living area and built from 1999 to 2003. Each comparable has a concrete slab foundation, central air conditioning and either a 231 or 233 square foot attached garage. The properties sold from May 2019 to September 2020 for prices ranging from \$105,000 to \$122,000 or from \$107.80 to \$125.26 per square foot of living area, land included. As further detailed in the grid analysis, the comparables have total assessments ranging from \$31,168 to \$31,891 which reflects market values less than their purchase prices.

¹ The board of review comparables, presented in three grid analyses, have been renumbered #1 through #15 for ease of reference.

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The board of review also submitted a copy of the PTAX-203 – Real Estate Transfer Declaration associated with the June 2019 sale of the subject property. The PTAX-203 reiterated the sale price of \$101,000 and disclosed the subject property had been advertised for sale. The board of review also included comments arguing the appellant's comparables are a different condominium model than the subject and the board of review's 15 comparables show the subject is underassessed. Based on this evidence, the board of review requested the subject's assessment be increased to \$33,663 which reflects the subject's purchase price when applying the statutory level of assessment of 33.33%.

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 evidence in the record fails to support either an increase or a reduction in the subject's assessment.

The record contains 19 comparable sales for the Board's consideration, as one property was common to both parties. The board of review also submitted recent market value evidence regarding the subject property. The Board gives less weight to the appellant's comparables #2 through #4 which differ somewhat in dwelling size and feature a detached garage when compared to the subject's and remaining comparables' dwelling size and attached garage amenity which appear, on this record, to be highly similar to one another.

Initially the Board finds the evidence disclosed the subject was purchased in June 2019 for a price of \$101,000 in what appears to be an arm's length transaction. Second, the parties provided 15 comparables, which includes the common property, that are identical to the subject in dwelling size and similar in location, age, design and other features. These best comparables sold from May 2019 to September 2020 for prices ranging from \$105,000 to \$122,000 or from \$107.80 to \$125.26 per square foot of living area, including land. The subject's assessment reflects a market value of \$95,755 or \$98.31 per square foot of living area, including land, which falls below the subject's purchase price and the range established by the best comparable sales in this record on an overall and per square foot basis, demonstrating the subject is not overvalued.

Furthermore, the Board finds these best comparables have total assessments ranging from \$31,168 to \$31,891 and the subject's total assessment of \$31,877 is within this range. The Board finds it would be inequitable to increase the assessment of the subject property to reflect its purchase price, as this would result in a total assessment above the assessments of similar nearby properties. Therefore, based on equity and the weight of the evidence, the Board finds an increase in the subject's assessment, as argued by the board of review, is not justified.

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APPELLANT:	Svigos Asset Management
DOCKET NUMBER:	18-29999.001-R-1
DATE DECIDED:	July 2022
COUNTY:	Cook
RESULT:	No Change

The subject is situated on an 8,714 square foot parcel of land that is improved with a 100+ year old, three-story, masonry, nine-unit apartment building. All nine-units are two-bedroom apartments. The subject's improvement size is 12,150 square feet of building area. It is classified as a class 5-17 property¹ under the Cook County Real Property Assessment Classification Ordinance.

The appellant, via counsel, argued that the fair market value of the subject property was not accurately reflected in its assessed value as the basis of this appeal. In support of the market value argument, the appellant submitted an appraisal report for the subject property with an effective date of January 1, 2018. The appraisers estimated a fair market value for the subject of \$675,000, or \$75,000 per unit, based on the income and sales comparison approaches to value. The appraisers also stated the subject was observed, not inspected, on August 7, 2018.

Under the income approach, the appraisers indicated a value for the subject of \$675,000, or \$75,000 per unit, rounded. The chart summarizing this data is reflected on page 53 of the appraisal.

Under the sales comparison approach, the appraisers analyzed the sales of five multi-family apartment buildings. The buildings ranged in size from 4,100 to 15,600 square feet of building area and from 7 units to 23 units. Although the unit make-up differed in each apartment building, the appraiser developed an average building area per unit for each of the comparables. The sale dates ranged from September 2015 to November 2017. Three of the comparables were located more than three miles from the subject property.

The appraisers analyzed the sale comparables based on sale price per unit rather than per square foot of building area. They concluded a final unit of comparison range between \$41,667 and \$92,857 per unit, or a market value under the sales approach of \$675,000, or \$55.56 per square foot, including land.

The appraisers placed equal weight on the price per unit analysis and the income approach to yield a reconciled value of \$675,000, or \$75,000 per unit. Based on this evidence, the appellant requested a reduction in the subject's assessment to \$82,701.

The Cook County Board of Review submitted its "Board of Review-Notes on Appeal," wherein the subject's final assessment of \$107,356 was disclosed. In support of the subject's assessment, the board of review submitted raw sales data for five multi-family buildings located within 10

¹ Page 19 of the appraisal reflects a blended assessment ratio of 12% while the board of review's description reflects an assessment ratio of 25%. Counsel requested an assessed value of 12.25% of the appraised value with no discussion of a commercial element.

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miles of the subject. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the Cook County Assessor's Office.

The comparables are multi-family apartment buildings with 6 to 12 units and contain 11,751 to 12,390 square feet of building area. The comparables sold between April 2019 and October 2019 for \$785,000 to \$2,600,000, or \$70.42 to \$216.67 per square foot, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board gives little weight to the appraisers' conclusion of value as it is based on income and sales comparison approaches that use a sale price per unit analysis. This type of analysis provides skewed results as it does not take into account the unit make-up of a property or the gross building square footage. Analyzing the five sale comparables submitted by the appraisers, the Board finds these sales range in value from \$47.37 to \$158.54 per square foot, including land. The subject's market value of \$88.36 per square foot is within this range. The Board notes that this market value is also within the range of the board of review's unadjusted sale comparables, which sold at times more proximate to the January 1, 2018 valuation date and were almost identical in size to the subject property. As such, the Board finds that the appellant has not met its burden by proving by a preponderance of the evidence that the subject is overvalued based on the data submitted into evidence.

As a final note, this Board has not made any determination as to the subject's classification as the parties did not raise this as an issue.

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APPELLANT:	Terry Thies
DOCKET NUMBER:	20-07149.001-R-1
DATE DECIDED:	December 2022
COUNTY:	St. Clair
RESULT:	Reduction

The subject property consists of a one-story dwelling of frame and masonry construction with 2,094 square feet of living area. The dwelling was constructed in 2018. Features of the home include a full basement with finished area, central air conditioning, a fireplace and an 826 square foot garage. The property has a 21,000 square foot site and is located in Fairview Heights, Caseyville Township, St. Clair County.

The appellant contends assessment inequity with respect to both land and improvement as the basis of the appeal. In support of this argument, the appellant submitted information on four equity comparables located in very close proximity to the subject property. The homes are either 1 or 13 years old. The comparables are improved with 1-story dwellings ranging in size from 1,925 to 2,081 square feet of living area. The homes each feature a basement, three with finished area. The comparables also each have central air conditioning, a fireplace, and a garage ranging in size from 550 to 987 square feet of building area. The comparables have lots ranging in size from 10,597 to 18,216 square feet of land area and have land assessments ranging from \$9,174 to \$18,479 or from \$.52 to \$1.18 per square foot of land area. The comparables have improvement assessments ranging from \$51,317 to \$75,427 or from \$33.95 to \$43.29 per square foot of living area.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$70,600.¹ The request would lower the subject's land assessment to \$12,000 or \$.57 per square foot of land area and the subject's improvement assessment to \$58,600 or \$27.98 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 \$102,444.² The subject property has a land assessment of \$22,090 or \$1.05 per square foot of land area and an improvement assessment of \$80,354 or \$38.37 per square foot of living area. The board of review also included evidence that a certificate of error was issued for the tax year 2020 reducing the subject's land assessment to \$12,432 and improvement assessment to \$60,710 for a total assessment of \$73,142. The certificate of error was issued following a decision by the Property Tax Appeal Board for the prior year lowering the subject's total assessment to \$70,600 based on the evidence presented in the record. The board of review then applied the township equalization factor of 1.036 to arrive at the corrected 2020 tax year total assessment of \$73,142.³

¹ The appellant originally filed a Residential Appeal form seeking a reduction to the subject's total assessment of \$80,550 but subsequently filed an amended Residential Appeal form.

² This amount is prior to the issuance of a Certificate of Error by the board of review which lowered the subject's land and improvement assessments.

³ Although the board of review essentially applied the "rollover" provision as described in section 16-185 of the Property Tax Code (35 ILCS 200/16-185), this case does not meet all the requirements of said statute as the board

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In support of the correct assessment, the board of review submitted a grid analysis with data on four equity comparables located on the same street as the subject property. The comparables have lots of either 12,197 or 42,689 and are improved with 1-story homes or frame and masonry exteriors ranging in size from 1,751 to 2,225 square feet of living area. The homes were built from 2008 to 2019 and each home features an unfinished basement, central air conditioning, and an attached garage ranging in size from 796 to 1,078 square feet of building area. The comparables have land assessments ranging from \$14,010 to \$15,422 or from \$.33 to \$1.26 per square foot of land area. The comparables have improvement assessments ranging from \$73,616 to \$108,246 or from \$39.70 to \$48.65 per square foot of living area. The board of review also submitted a copy of the Final Administrative Decision of the Property Tax Appeal Board for the prior year reflecting a reduction in the subject's land assessment to \$12,000 and improvement assessment to \$58,600 for a total assessment of \$70,600.

In rebuttal, the appellant submitted an amended Residential Appeal form, a copy of the prior year decision by the PTAB, a copy of the final decision by the St. Clair County Board of Review for the 2019 and 2020 tax years, and a copy of the evidence submitted along with the 2019 tax year appeal consisting of additional comparable properties. The Board finds that the evidence submitted in support of the 2019 tax year appeal will not be considered as this is new evidence in rebuttal and not responsive to the board of review's submission and, therefore, is in violation of Section 1910.69(c) of the Rules of the Property Tax Appeal Board which states that "[r]ebuttal evidence shall not consist of new evidence such as an appraisal **or newly discovered comparable properties.**"

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 met this burden of proof and a reduction in the subject's assessment is warranted.

The evidence in the record reveals that the total assessment for the subject property prior to the issuance of a certificate of error was \$102,444 with the subject having a land assessment of \$22,090 or \$1.05 per square foot of land area and an improvement assessment of \$80,354 or \$38.37 per square foot of living area. The evidence also reveals that the board of review issued a certificate of error for the tax year 2020, wherein the subject's total assessment was reduced to \$73,142 with a reduction in the land assessment to \$12,432 and improvement assessment to \$60,710. The evidence further reveals that the subject's reduced land and improvement assessments are consistent with the final decision of the Property Tax Appeal Board for the prior year plus the application of the township equalization factor. For the 2020 tax year, the board of review applied the township equalization factor of 1.036 to the prior decision of the PTAB to arrive at the reduced

of review indicated that tax year 2020 is the beginning of the new general assessment cycle for St. Clair County and, thus, 2019 and 2020 do not fall within the same general assessment cycle as mandated by the aforementioned statute.

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(corrected) 2020 tax year assessment of \$73,142 or \$12,432 for land and \$60,710 for improvement assessments.

The record also contains a total of nine equity comparables submitted by the parties in support of their positions before the Property Tax Appeal Board. The Board gave less weight to board of review comparable #1 and appellant's comparable #4 as these comparables appear to be outliers based on their significantly higher improvement assessment and/or significantly lower land assessments relative to the remaining comparables in the record. The Board finds the remaining comparables to be similar to the subject in location, dwelling design, age, dwelling size and most features. However, several comparables differ from the subject in land size which necessitates adjustments to the comparables to make them more equivalent to the subject. The best comparables in this record have land assessments ranging from \$12,160 to \$18,479 or from \$1.01 to \$1.26 per square foot of land area, and improvement assessments ranging from \$51,317 to \$77,368 or from \$33.95 to \$42.04 per square foot of living area. The subject's reduced assessment after the issuance of the certificate of error of \$73,142 with the land assessment of \$12,432 and improvement assessment of \$60,710 falls within the range established by the best equity comparables in this record.

Based on this record, the Board finds that a reduction in the subject's total assessment consistent with the amount after the issuance of the certificate of error by the board of review is supported by the best comparables in this record. The reduced amount by the board of review is further supported by the Final Administrative Decision of the Property Tax Appeal Board for the prior year plus the application of the township equalization factor. Based on this record, the Board finds that the appellant established by clear and convincing evidence that the subject dwelling was inequitably assessed and, therefore, a reduction in the subject's original land and improvement assessments is warranted.

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APPELLANT:	James & Margaret Wertin
DOCKET NUMBER:	20-08532.001-R-1
DATE DECIDED:	November 2022
COUNTY:	Montgomery
RESULT:	No Change

The subject property consists of a 1-story dwelling of brick and frame construction with 2,857 square feet of living area.¹ The dwelling was constructed in 2011. Features of the home include a full basement with finished area, central air conditioning, a fireplace, and an 1,132 square foot garage. The property has an approximately 30,927 square foot, or 0.71 acre, site and is located in Litchfield, North Litchfield Township, Montgomery County.

The appellants contend assessment inequity with respect to the land assessment as the basis of the appeal. In support of this argument the appellants submitted information on four equity comparables located from 0.20 of a mile to 2.9 miles from the subject property. The parcels range in size from 44,866 square feet, or 1.03 acres, to 89,298 square feet, or 2.05 acres, of land area. The comparables have land assessments ranging from \$1,320 to \$3,850 or from \$0.02 to \$0.06 per square foot of land area. Based on this evidence the appellants requested a reduction in the subject's land assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$94,990. The subject property has a land assessment of \$10,550 or \$0.34 per square foot of land area.

In support of its contention of the correct assessment the board of review submitted information on four equity comparables, together with property record cards for these comparables and a map depicting the locations of these properties in relation to the subject. The comparables are located from next door to 180 feet from the subject. The parcels range in size from 25,265 square feet, or 0.58 of an acre, to 53,579 square feet, or 1.23 acres, of land area. The comparables have land assessments of \$10,550 or from \$0.20 to \$0.42 per square foot of land area. The board of review submitted a letter explaining that all lots in the subject's subdivision are valued on a site basis and have land assessments of \$10,500. Based on this evidence the board of review requested confirmation of the subject's land assessment.

In written rebuttal, the appellants argued that the board of review's comparables are not similar to the subject in lot size and features, but acknowledged that the board of review's comparables are all located in the same subdivision as the subject with land assessments of \$10,550. The appellants contended that the subject parcel is steeply sloped, thereby limiting its use. The appellants presented six additional comparables located in the subject's subdivision with the same land assessment as the subject; however, inasmuch as new evidence, such as newly discovered comparable properties, may not be presented in rebuttal, the Board shall not further consider these additional comparables. (86 Ill. Admin. Code § 1910.66(c)).

¹ Additional details regarding the subject property are found in the subject's property record card presented by the appellants, which the Board finds to be the best evidence of the subject's features and amenities.

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Conclusion of Law

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

The record contains a total of eight equity comparables for the Board's consideration. The Board gives less weight to the appellants' comparable #2, due to its distance of more than 2 miles from the subject, and to the appellants' comparables #1, #3, and #4, due to significant differences from the subject in lot size. Moreover, none of these comparables are located in the subject's subdivision.

The Board finds the best evidence of assessment equity to be the board of review's comparables, which are all located within the subject's subdivision and have identical land assessments of \$10,550. The Board finds the evidence indicates land in the subject's subdivision is assessed on a site basis. The site method of valuation is used when the market does not indicate a significant difference in lot value even when there is a difference in lot sizes. Property Assessment Valuation, 75, International Association of Assessing Officers 2nd ed. 1996. The subject's land assessment of \$10,550 is identical to the best comparables in this record. After reviewing the evidence, the Board finds land within the subject's neighborhood was uniformly assessed on a site basis. The Board finds the appellants offered no market evidence to suggest the site method of valuation was not reasonable or appropriate. Based on this analysis, the Board finds the appellants have not demonstrated that the subject property's land was inequitably assessed by clear and convincing evidence and a reduction in the subject's land assessment is not justified.

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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2022 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

2022 SYNOPSIS – FARM CHAPTER

2022 FARM CHAPTER

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2022 SYNOPSIS – FARM CHAPTER

APPELLANT:	Benson Farm Partnership
DOCKET NUMBER:	19-09224.001-F-1
DATE DECIDED:	July 2022
COUNTY:	Grundy
RESULT:	Reduction

The subject parcel is partially assessed as farmland, homesite and a dwelling.¹ The challenge to the assessment concerns a machine shed, a farm-use outbuilding. The disputed structure is described as a 4,050 square foot post-frame pole barn lacking insulation with a dirt floor. The pole building was originally built in 1979, containing 1,835 square feet, and had a 27' long expansion added in 1998 containing 1,215 square feet. Outbuildings also include a grain bin built in 1957, which assessment is not in dispute. The property is located in Verona, Vienna Township, Grundy County.

The appellant contends overvaluation as the basis of the appeal concerning the machine shed; the appellant did not dispute the subject's homesite, farmland, dwelling and/or grain bin assessments. In support of the outbuilding overvaluation argument, the appellant submitted a two-page brief and supporting documentation.

As part of the submission, the appellant reports the subject's total outbuilding assessment of \$13,777 consists of three components: the portion of the machine shed (pole building) built in 1979 with an assessment of \$9,200; the 1998 addition to the pole building with an assessment of \$4,518; and a grain bin with a \$59 assessment, the latter of which is not being contested in this appeal. Based on the foregoing pole building combined assessment of \$13,718 the appellant contends the estimated market value established by the assessing officials of \$41,154 reflects about 75% of new construction, despite that the majority of the pole building is 40 years old.

In support of the appeal, the appellant provided color photographs of the pole building depicting both the exterior and the interior; a cost worksheet; and an estimate for construction of a new building. The appellant contends the subject machine shed is in poor condition and is functionally obsolete as it is not suitable for modern farm equipment due to its low eave height, small doors, and overall small size. More specifically, the appellant reports the subject pole building has only 13 foot tall eaves, one door is 12 feet tall and 18 feet wide, and the other door is 14 feet tall and 21 feet wide, which still results in eaves that are insufficiently tall for large modern farm machinery.

In further support of the overvaluation argument, the appellant obtained construction costs for similarly sized post frame buildings from three companies: Clearly Buildings (\$12/sf), Wick Buildings (\$15/sf), and Menards (\$12/sf) – (\$5/sf materials plus \$7/sf labor). The appellant reports this cost range of \$12 to \$15 per square foot is for a fully erected with new warranty pole building reflecting a total cost between \$48,000 and \$60,750. The appellant further contends that this new construction would have higher eaves, taller and wider doors, improved door hardware, better quality construction, better paint and other improvements.

¹ The appellant did not challenge the subject's farmland, homesite or dwelling assessments.

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As part of the appellant's brief, the appellant estimated new construction cost for the subject based on \$13.50 per square foot, resulting in a replacement cost new of \$54,675. The appellant suggested an overly generous economic life of 45 years with an adjustment for poor condition and functional obsolescence, the appellant opined that the present market (contributory) value of the pole building is \$9,100. The appellant also presented a revised replacement cost new calculations by changing the economic life, condition adjustment and functional obsolescence adjustment.

Based on the foregoing evidence and argument, the appellant requested a reduced assessment for the subject pole building consisting of the 1979 portion at \$992 and the 1998 portion at \$2,041. Combining the two portions of the pole building along with the undisputed grain bin would result in a revised outbuilding total assessment of \$3,092.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$65,969.

In response to the appeal, the board of review proposed reducing the subject's outbuilding assessment to \$3,080. The appellant was informed of this offer and rejected the same.

The board of review provided no evidence in support of its contention of the correct assessment of the subject pole building.

Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. The appellant does not dispute that the pole barn should be assessed to the extent that it contributes to the farming operation. The appellant has contested the value assigned to the pole barn by the assessing officials. Thus, the sole issue before the Property Tax Appeal Board is a determination of the correct assessment of the contributory value of the pole building (machine shed) to the subject farm property.

The Board finds Section 1-60 of the Property Tax 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 (emphasis added). (35 ILCS 200/1-60)

Furthermore, Section 10-140 of the Property Tax Code provides:

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)

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Where farm structures do not contribute to the productivity of the farm, then the buildings would add nothing to the value of the farm. O'Connor v. A&P Enterprises, 81 Ill.2d 260, 267-68(1980); see also Peacock v. Property Tax Appeal Board, 399 Ill.App.3d 1060, 1071-1073 (4th Dist. 2003). While the appellant summarily asserted that the pole building was functionally obsolete, neither party made an assertion that the building should not be assessed as having a contributory value to the farm operation.

The Property Tax Appeal Board further finds that the actual cost of construction may not necessarily reflect the contributory value of the subject building either, however, the appellant did not provide an alternative procedure or method to calculate the contributory value of the pole frame farm building. Thus, on this limited record, the Board finds the cost approach less depreciation to be an acceptable method of estimating value for assessment purposes. The Board finds the appellant met the burden of proof to challenge the assessment and a reduction in the subject's assessment of the pole building is warranted.

The Property Tax Appeal Board finds that the board of review failed to present any substantive evidence to support its position as to the proper valuation of the subject pole barn. In contrast, the appellant provided a cost approach analysis and three estimates for new construction on a square foot basis. The appellant argued that the pole barn should be valued at approximately \$9,100 or \$2.25 per square foot of building area. The board of review has placed an assessment of \$13,718 on the pole barn which reflects a market value of \$41,158 or \$10.16 per square foot of building area.

The appellant provided evidence of the cost of construction new that was no more than \$15 per square foot of building area for the pole building. The Property Tax Appeal Board also recognizes that the actual cost of construction may not necessarily reflect the contributory value of the subject building. Based on the foregoing evidence and after thorough consideration of the data supplied by the appellant without any contradictory data from the board of review, the Property Tax Appeal Board finds that a reduction of the subject property's pole barn commensurate with the appellant's request is warranted.

2022 SYNOPSIS – FARM CHAPTER

APPELLANT:	Gail Munson
DOCKET NUMBER:	19-09235.001-F-1
DATE DECIDED:	July 2022
COUNTY:	LaSalle
RESULT:	No Change

The subject property consists of a one-story mobile home of cedar exterior construction with 1,296 square feet of living area. The dwelling was constructed in 2014 and has central air conditioning. The subject property also has two farm buildings. The property has a 60,984 square foot homesite, with 23,087 square feet of farmland, for a total of 84,071 square feet of land area. The subject is located in Utica, Waltham Township, LaSalle County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on three comparable sales that are located in Mendota or Ottawa. The comparables have sites ranging in size from 18,730 to 87,120 square feet of land area that are improved with one-story dwellings containing from 832 to 1,716 square feet of living area. The dwellings were built from 1961 to 1995. The comparables have central air conditioning and two comparables have either a 1-car or a 2-car garage. The comparables sold from June 2016 to September 2017 for prices of \$70,000 or \$115,000 or from \$56.09 to \$84.13 per square foot of living area, including land. Based on this evidence, the appellant requested the subject's total assessment be reduced to \$33,333.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$40,653. The subject's homesite and dwelling have a total assessment of \$40,223, which reflects a market value of \$120,428 or \$92.92 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for LaSalle County of 33.40% as determined by the Illinois Department of Revenue. The subject property has a \$300 farmland assessment, which is calculated using its productivity index, and a \$300 outbuilding assessment, which reflects a contributory value to the farm of \$900.09 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 brief acknowledging no additional comparable sales were found by the board of review. The board of review resubmitted the appellant's grid analysis with handwritten notes stating that the board of review did not use the appellant's comparables #1 and #3 but found the appellant's comparable #2 to be the best comparable. The board of review's submission included the Property Record Cards (PRC) for the subject and the appellant's comparables noting differences in age, size, style and features of the comparables, when compared to the subject. 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

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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 record contains a total of three comparable sales for the Board's consideration. The Board initially finds each of the comparables lack farmland and farm buildings, unlike the subject, and each have sale dates occurring greater than 15 months prior to the January 1, 2019 assessment date at issue. The Board further finds the comparables are similar to the subject in location and dwelling type, however, the comparable dwellings are significantly older than the subject and differ in style. In addition, two of the comparables have significantly smaller sites and two differ considerably in dwelling size, when compared to the subject. Nevertheless, the comparables sold for prices of \$70,000 and \$115,000 or from \$56.09 to \$84.13 per square foot of living area, including land. The subject's homesite and dwelling have a total assessment of \$40,223, which reflects a market value of \$120,428 or \$92.92 per square foot of living area, including land, which is above the range established by the comparable sales in this record. However, after considering adjustments to the comparables for differences when compared to the subject, such as their older age, the Board finds the subject's higher estimated market value as reflected by its assessment is supported and a reduction in the subject's assessment is not justified.

2022 SYNOPSIS – FARM CHAPTER

APPELLANT:	Greg Sabens
DOCKET NUMBER:	19-09304.001-R-1
DATE DECIDED:	February 2022
COUNTY:	Edgar
RESULT:	Reduction

(This appeal was filed as a residential property although the subject includes farmland, non-farmland and a metal style pole building with finished area.)

The subject property is improved with a one-story metal clad pole frame building that measures approximately 40 x 72 feet constructed on a concrete slab foundation. The building includes a garage with approximately 1,360 square feet of building area and a dwelling with approximately 1,520 square feet of living area. The building also has a 576 square foot covered porch. The building was constructed in approximately 2013. The dwelling has central air conditioning, two bedrooms and one bathroom. The property is composed of 44.27 acres with 43.46 acres designated as farmland and .81 acres designated as a homesite. The property is located in Elbridge Township, Edgar County.

The appellant contends overvaluation with respect to the building as the basis of the appeal. The appellant is not contesting the assessment of the farmland nor the homesite. In support of the overvaluation argument the appellant submitted an appraisal prepared by Philip B. O'Bryan, an Illinois Certified General Appraiser.

The appraiser explained that the primary improvement on the subject property is the specific focus of the appraisal. The primary improvement is described as a 40 x 72-foot pole frame building with an 8 x 72-foot covered porch on concrete that was initially constructed in 2013. In 2016, the south forty feet of the interior was finished into living area with two bedrooms, a single bathroom and an open space for the kitchen and living area. The appraiser further stated that there is a gas log fireplace with stone surround in the living area. A propane fired central HVAC system heats and cools the living area. The 32 x 40-foot garage has a double car overhead door with an opener and a pedestrian door.

In estimating the market value of the subject building the appraiser developed the sales comparison approach to value. The appraiser explained that given the unique nature of the building construction and level of finish it was necessary to look beyond the confines of Edgar County for comparable sales. He asserted that from the standpoint of the market for this combination of land, improvements and location, the recreational hunter is the most likely buyer, and those buyers often consider a market area that may span several counties.

The appraiser further explained that because the building is the focus of the valuation problem, land values are deducted from the total sale price of each comparable to arrive at prices per square foot of both the garage and finished living space at the subject property. He stated that adjustments to those unit values are made to consider the elements of location, building quality, age, condition and other amenities.

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The appellant's appraiser identified four comparable sales in developing the sales comparison approach to value. Sale #1 was composed of 9.3 acres with a finished pole shed containing 1,500 square feet of finished living area and a 40 x 48-foot attached garage. This property sold in September 2019 for a price of \$169,000. The appraiser was of the opinion this sale provided and indicated value for the living area of \$60.00 per square foot and \$12.00 per square foot for the garage.

Sale #2 was composed of a 241.5-acre tract improved with a 2,744 square foot building of which 882 square feet were finished with three bedrooms, a bathroom, and kitchen. The building had some fire damage that had to be repaired at the buyer's expense. This property sold in January 2020 for a price of \$750,000. The appraiser explained that the selling and listing realtor estimated the contributory value of the building to be \$35,000 to \$40,000. The appraiser explained that allocating \$12.00 per square foot for the garage would leave \$20.10 per square foot for the finished area. Allowing \$30 per square foot for repairs and ten percent for finished quality would result in an indicated value for the subject's finished space to \$55 per square foot.

Comparable #3 consisted of 35.59 acres improved with a 30 x 40-foot pole frame shed constructed in approximately 2004 with a concrete floor, a manual overhead door, a pedestrian door and a framed-in rough finish 16 x 16-foot area with a wall mounted heater/air conditioner. This property sold for \$140,000. The contributory value of the building was estimated to be \$15,000 or \$12.50 per square foot.

Sale #4 was composed of a 10-acre tract with the primary improvement being a metal clad pole frame structure that had been finished into 3,360 square feet of residential space with six bedrooms and 3.5 bathrooms. The property also included a 24 x 24-foot attached garage along with a 40 x 60-foot pole shed finished as a shop. This property sold in December 2015 for a price of \$210,000. Deducting \$30,000 for the land and \$30,000 for the outbuildings left \$150,000 or \$44.64 per square foot of living area for the residence.

After considering these sales, the appellant's appraiser estimated the subject's building finished area would have a value of \$60.00 per square foot or \$90,000 and the garage would have a value of \$12.00 per square foot or \$16,560 for a total building value of \$107,000, rounded, as of March 27, 2020. Based on this evidence the appellant requested the subject's building assessment be reduced to \$35,667 to reflect the appraised value

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$45,870. The subject property has a farmland assessment of \$4,600, a homesite assessment of \$1,080, and a house/building assessment of \$40,190. The subject's building assessment reflects a market value of approximately \$120,654 when applying the 2019 three-year average median level of assessment for Edgar County of 33.31% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on four equity comparables improved with pole building homes that range in size from 1,200 to 1,512 square feet of building area. The buildings were built from 2005 to 2012. Each comparable has a slab foundation, central air conditioning and a porch ranging in size from 200 to 357 square feet. Three comparables also have attached garages ranging in size from 1,200 to 4,604 square

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feet of building area. These properties have improvement assessments ranging from \$19,780 to \$38,040. The board of review explained that all pole building homes are assessed uniformly and provided a table disclosing the assessed value per square foot of each comparable prior to depreciation. The comparables had assessments for living space ranging from \$20.43 to \$23.40 per square foot; for garage area ranging of \$3.31 and \$5.29 per square foot; and for porch area ranging from \$1.59 to \$5.23 per square foot. The subject assessments prior to depreciation was \$20.65 per square foot for living space, \$6.32 per square foot for the garage, and \$3.43 per square foot for the porch.

The board of review also provided the assessed values per square foot for the subject property and the comparables after depreciation and the application of factors for condition, utility and age. The comparables had assessments for living space ranging from \$13.65 to \$19.02 per square foot; for garage area ranging from \$2.65 to \$4.76 per square foot; and for porch area ranging from \$1.43 to \$3.24 per square foot. The subject assessments after depreciation were \$19.82 per square foot for living space, \$6.00 per square foot for the garage, and \$3.26 per square foot for the porch.

The board of review also provided copies of the property record cards and photographs for the subject property and each comparable. The subject's property record card disclosed that the cost approach was developed and resulted in a total improvement value of \$120,570.

In rebuttal, the board of review explained that the concerns it had with the appellant's appraisal was the location of the comparables. Only one comparable sale was located in Edgar County with the other sales being located in Clark County and Coles County. The board of review explained that the comparable locate in Edgar County was a little over 15 miles from the subject property.

In rebuttal the appellant contends that the data provided by the board of review further supported his claim.

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 not warranted.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant estimating the primary building on the subject property had a market value of \$107,000. The appraiser utilized four comparable sales improved with pole buildings with various levels of finished area. The appraiser explained his methodology and adjustments to the comparable sales to account for differences from the subject property in arriving at his value conclusion. The assessment for the subject's primary building reflects a market value of \$120,654, which is above the appraised value. The Edgar County Board of Review did provide equity comparables that are relatively similar to the subject building in construction, style and features. However, the equity comparables did not address the appellant's argument, which was based on overvaluation supported by an appraisal. The board of review did not submit any market data in the form of

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comparable sales or an appraisal to counter the appellant's argument or to support its opinion of market value as reflected by the assessment. Based on this evidence the Board finds a reduction in the subject's assessment commensurate with the appellant's request, rounded, is justified.

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APPELLANT:	<u>Alden Sharp & Leslie Coleman Adkins</u>
DOCKET NUMBER:	<u>21-00067.001-F-1</u>
DATE DECIDED:	<u>January 2022</u>
COUNTY:	<u>McLean</u>
RESULT:	<u>Dismissed</u>

The subject property purportedly consists of a farmland 2.51-acre parcel with pasture, a homesite, residential dwelling and farm outbuilding(s). The subject is located in Danvers, Allin Township, McLean County.

The appellants filed a single 2021 Farm Appeal with the Property Tax Appeal Board (PTAB). The pleading was postmarked on October 18, 2021. The basis of appeal was recent sale and challenged only the improvement assessment for the residential dwelling; no dispute was raised concerning the farmland, homesite or outbuilding(s) assessments. On the appeal petition, the appellants reported that the appeal was being made from the final, written decision of the McLean County Board of Review dated September 22, 2021. The purported documentation of the final decision was actually a copy of the appellants' McLean County Board of Review Farm Property Assessment Complaint for the parcel date stamped as received on September 22, 2021 with a handwritten "Late Appeal" in the Docket Number provisions and included the following typed in statement at Item #7:

Please note that we are filing this objection late because we received the assessment late due to the post office not delivering it to the property address followed by it being sent later to the residence in Normal. When we received it I was sick with a serious respiratory infection and was not able to address the issues until September 15, when I contacted Misty Lay. She returned my call on 9/21 (yesterday) and advised me that I needed to appeal formally, which I'm doing today. ...

Also, as part of that local county board of review appeal, the appellants reported the property was purchased on April 13, 2021 for \$187,500 and the appellants have, since the purchase, invested \$8,800 in "new septic."

The last sentence on page 1 of the PTAX-228 Notice to Taxpayer of Assessment Change dated August 6, 2021 states (**bold** in original):

-You may file an appeal with the McLean County Board of Review. Your appeal must be received by 09/13/2021 which is 30 days after publication.

The appeal submission to the Property Tax Appeal Board also included the following documentation:

- Page 1 of a 4-page copy of the Settlement Statement related to the purchase transaction.
- A copy of an electronic mail message to the [McLean County] Board of Review dated September 22, 2021 at 9:08 a.m. with the subject line, "Signature Requested: PTAX-227 Farm Assessment Complaint Form.SD."

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- A copy of the McLean County Board of Review PTAX-228 Notice to Taxpayer of Assessment Change depicting the prior year's total assessment of \$18,149, that the current 2021 assessment was increasing to \$67,117 and that the 2021 assessment after CCAO multiplier was being increased to a total of \$69,514.
- A copy of an Addendum extending the closing date to April 13, 2021.
- A copy of a seven-page Residential Sales Contract entered into on March 9, 2021 for the purchase of the subject property including an Addendum concerning trustee status of the buyers.
- A copy of a three-page Warranty Deed in Trust.
- A three-page internet printout from Coldwell Banker Homes advertising the subject property for sale for \$187,500 for a period of 366 days after originally having an asking price of \$254,000.
- An unexecuted copy of the four-page Settlement Statement related to the transaction.

By letter dated November 4, 2021, the PTAB notified the McLean County Board of Review of this pending appeal known as Docket No. 21-00067.001-F-1 and granted a 90-day extension of time to file a response. (86 Ill.Admin.Code §1910.40).

On November 5, 2021, the McLean County Board of Review filed a letter objecting to PTAB jurisdiction in this matter arguing that pursuant to procedural rules, an appeal must be postmarked 30 days from the date of the postmark date of the final decision of the Board of Review. As to the subject property, the McLean County Board of Review contends that the appellants did not file a timely assessment complaint. "A final decision of the Board, therefore, will not be generated." In the letter, the board of review also asserted that it is still in session for [the] tax year and "final notices will not be prepared until after they close."

In written reply to the board of review's motion to dismiss, the appellants timely filed a one-page single-spaced letter initially acknowledging that the appeal filed with the McLean County Board of Review was "filed a week after the deadline of September 13th 2021." In further response, the appellants explain the reason for the late filing in that the appellants are new residents to McLean County and to Illinois having purchased the subject property in April 2021 in an arm's-length transaction. Furthermore, the appellants budgeted for taxation based upon the purchase price and profess the property would not have been bought if they knew the assessment would be excessively inflated.

Additionally, in reply, the appellants reiterated that in the assessment complaint filed with the McLean County Board of Review on September 22, 2021 they detailed the original reassessment notice was delayed in arriving because it was originally mailed to the wrong address. Once the reassessment notice arrived, one of the appellants came down with a very serious respiratory infection with multiple medical visits and an extended period of treatment covering several weeks "during which business other than urgent was postponed." On September 15, the appellant then commenced consideration of the reassessment notice and discovered the property's estimated market value was more than \$21,000 above the recent purchase price. The first step taken was to contact the township assessor by telephone and e-mail. With a returned telephone call six days later, on September 21, the township assessor informed the appellant that the assessment could not be altered and suggested an appeal be filed with the McLean County Board of Review. The

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appellant followed up the next day on September 22 by filing online a Farm Property Assessment Complaint PTAX-227. The appellants contend, despite the explanation in the complaint why the filing was delayed, "the McLean County Board of Review did not accept the complaint."

In closing, the appellants assert that the assessment process should be fair to the taxpayer and contend this has not been so given the inflated and erroneous reassessment of the property with an arbitrary filing deadline and no consideration for extenuating circumstances.

After reviewing the appeal, the respective pleadings of the participants and the applicable statutory and procedural rules, the Property Tax Appeal Board finds that it does not have jurisdiction over the parties and the subject matter of the appeal.

The Property Tax Appeal Board finds that pursuant to the applicable provisions of the Property Tax Code, an appeal petition must be filed within 30 days of the postmark date of the decision of the board of review pertaining to the assessment. Section 16-160 of the Property Tax Code (35 ILCS 200/16-160) provides in pertinent part:

. . . any taxpayer dissatisfied with the decision of a board of review or board of appeals as such decision pertains to the assessment of his or her property for taxation purposes, or any taxing body that has an interest in the decision of the board of review or board of appeals on an assessment made by any local assessment officer, may, (i) in counties with less than 3,000,000 inhabitants within 30 days after the date of written notice of the decision of the board of review . . . appeal the decision to the Property Tax Appeal Board for review. . . . [emphasis added].

Having considered this statutory provision, the Property Tax Appeal Board finds, in accordance with court precedent, that "[t]he only authority and power placed in the [Property Tax Appeal] Board by statute is to receive appeals from decisions of Boards of Review [citation omitted], make rules of procedure [citation omitted], conduct hearings [citation omitted], and make a decision on the appeal [citation omitted]. That is all. .. There are no other prerogatives, powers, or authority accorded to the Board. It is fundamental that an administrative body has only such powers as are granted in the statute creating it. No citation of authority on this point is necessary." Thompson v. Property Tax Appeal Board, 22 Ill.App.3d 316, 322 (2nd Dist. 1974); see also Geneva Community Unit School Dist. No. 304 v. Property Tax Appeal Board, 296 Ill.App.3d 630 (2nd Dist. 1998). For these reasons, the Property Tax Appeal Board finds it is bound by the terms of Section 16-160 of the Property Tax Code and has no authority to accept an appeal filed without a written notice of the decision of the board of review pertaining to the assessment of the property.

The Property Tax Code provision is further supported by the procedural rules of the PTAB providing in pertinent part at 86 Ill.Admin.Code §1910.30(a):

In counties with less than 3,000,000 inhabitants, petitions for appeal shall be filed within 30 days after the date of the written notice of the decision of the board of review. . . . (See Section 16-160 of the Code.)

The Property Tax Appeal Board finds and the evidence in the record is clear that the appellants did not timely file an appeal with the McLean County Board of Review and, in the absence of a

2022 SYNOPSIS – FARM CHAPTER

timely filed appeal, no final decision concerning parcel number 19-06-100-002 was issued for the subject property for tax year 2021. Pursuant to Section 16-55(d) of the Property Tax Code (35 ILCS 200/16-55(d):

A complaint to affect the assessment for the current year shall be filed on or before 30 calendar days after the date of publication of the assessment list under Section 12-10. **Upon receipt of a written complaint that is timely filed under this Section, the board of review shall docket the complaint.** If the complaint does not comply with the board of review rules adopted under Section 9-5 entitling the complainant to a hearing, the board shall send, electronically or by mail, notification acknowledging receipt of the complaint. The notification must identify which rules have not been complied with and provide the complainant with not less than 10 business days to bring the complaint into compliance with those rules. If the complainant complies with the board of review rules either upon the initial filing of a complaint or within the time as extended by the board of review for compliance, then the board of review shall send, electronically or by mail, a notice of hearing and the board shall hear the complaint and shall issue and send, electronically or by mail, a decision upon resolution. Except as otherwise provided in subsection (c), if the complainant has not complied with the rules within the time as extended by the board of review, the board shall nonetheless issue and send a decision. The board of review may adopt rules allowing any party to attend and participate in a hearing by telephone or electronically. [Emphasis added.]

Furthermore, the Board finds the appellants' inference that an appeal before the Property Tax Appeal Board should proceed nevertheless due to the purported delay in original service of the reassessment notice and/or the personal circumstances that prevented the submission of a timely appeal with the McLean County Board of Review is not meritorious under the applicable provisions of the Property Tax Code and/or the applicable procedural rules set forth herein. In conclusion, the instant Farm Appeal is hereby dismissed due to lack of jurisdiction.

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APPELLANT:	Nancy Ward
DOCKET NUMBER:	19-07771.001-R-1
DATE DECIDED:	April 2022
COUNTY:	Lake
RESULT:	No Change

(This appeal was filed as a residential property although the subject site includes farmland, farm buildings, homesite and residential dwelling.)

The subject property is improved with a two-story dwelling with vinyl siding containing 2,715 square feet of living area. The dwelling was constructed in 1979 and is approximately 40 years old. Features of the home include a full unfinished basement, central air conditioning, one fireplace and an attached garage with 858 square feet of building area. The property also has a flat barn with 672 square feet of building area that was constructed in 2011. The subject's parcel has 217,800 square feet or 5 acres of land area composed of a 1.01-acre homesite and 3.99 acres of farmland. The property is located in Grayslake, Fremont Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on five comparable sales improved with 1-story, 1.5-story or 2-story dwellings that range in size from 2,374 to 2,902 square feet of living area. The homes range in age from 13 to 39 years old. Each home has a full or partial basement with one having finished area, central air conditioning, and a garage ranging in size from 500 to 675 square feet of building area. Four of the comparables have one fireplace. Two of the comparables have metal utility sheds. The comparables have sites ranging in size from 8,710 to 218,240 square feet of land area. The sales occurred from June 2016 to June 2019 for prices ranging from \$270,000 to \$500,000 or from \$93.04 to \$181.03 per square foot of living area, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$193,620. The property has a farmland assessment of \$778, a homesite assessment of \$20,097, a house assessment of \$169,427, and an outbuilding assessment of \$3,318.¹ The subject's homesite and house assessments total \$189,524 and reflect a market value of \$576,236 or \$212.24 per square foot of living area, land included, when using the 2019 three-year average median level of assessment for Lake County of 32.89% 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 improved with one-story or two-story dwellings of wood siding, brick or vinyl siding exterior construction ranging in size from 2,036 to 3,206 square feet of living area. The homes were constructed from 1985 to 1988. Each home has a full or partial basement with one having finished area, and an attached garage ranging in size from 484 to 875 square feet of building area. Four comparables have central air conditioning and three comparables have one or

¹ The subject's farmland assessment is not based on fair cash value but on the property's agricultural economic value and the outbuilding assessment is to be based on its contribution to the farming operation. See sections 10-115 and 10-140 of the Property Tax Code (35 ILCS 200/10-115 & 10-140).

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two fireplaces. Comparables #1, #2 and #4 have either a flat barn or a pole building. Comparables #3 and #5 have metal utility sheds. The comparables have sites ranging in size from 191,230 to 223,900 square feet of land area or from 4.39 to 5.14 acres. The sales occurred from June 2018 to October 2019 for prices ranging from \$375,000 to \$535,000 or from \$166.87 to \$233.30 per square foot of living area, including land. Board of review comparable #3 is the same property as appellant's comparable #2.

In rebuttal the board of review asserted that appellant's comparables #1 and #4 had 2016 and 2017 closing dates. Additionally, it contends appellant's comparables #3 and #4 have significantly smaller lots than 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The record contains nine sales submitted by the parties with one comparable being common to the parties. The Board gives less weight to appellant's comparable sales #1, #3, #4 and #5 due to the sale dates not being proximate in time to the assessment date and/or the land area for the comparable is significantly smaller than the subject site. The Board gives most weight to appellant's comparable #2 and the comparables provided by the board of review, which includes the common sale, even though four of the comparables are improved with dwellings that differ from the subject dwelling in size. Importantly, each of these comparables has a site that is approximately the same size as the subject property's acreage. These most similar comparables sold for prices ranging from \$375,000 to \$535,000 or from \$166.87 to \$233.30 per square foot of living area, including land. Excluding the farmland, the remaining features of the subject property reflect a market value of \$576,236 or \$212.24 per square foot of living area, including land, which is within the range established by the best comparable sales in this record on a per square foot basis. On this record, without the ability to segregate or establish the fair cash value of the farmland associated with the subject property and the comparables, the Board finds the assessment of the subject property as established by the board of review is correct and a reduction in the assessment is not justified.

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PROPERTY TAX APPEAL BOARD

SYNOPSIS OF REPRESENTATIVE CASES

2022 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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APPELLANT:	Flanagan HCC, LLC
DOCKET NUMBER:	20-05294.001-C-1
DATE DECIDED:	April 2022
COUNTY:	Livingston
RESULT:	Dismissed

On February 11, 2021, the appellant filed the appeal contesting the assessment for the 2020 tax year from a Final Administrative Decision of the Illinois Property Tax Appeal Board issued on January 19, 2021, in Docket No. 18-03651.001-C-1 lowering the assessment of the subject property for the 2018 tax year. As fully explained below, the Property Tax Appeal Board finds that it does not have jurisdiction over this appeal.

The subject property consists of a commercial property located in Flanagan, Nebraska Township, Livingston County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a Commercial Appeal petition, which is postmarked February 11, 2021, together with an appraisal estimating the subject property had a market value of \$990,000 as of January 1, 2018, along with a supplemental letter from the appraiser dated May 12, 2021. The appraisal and supplemental letter were prepared by Donna J. Howard, a certified general real estate appraiser, for the purpose of estimating the market value of the subject property as of January 1, 2018.

The appellant also submitted a copy of a 2018 tax year Final Administrative Decision of the Property Tax Appeal Board for the subject property issued on January 19, 2021, in Docket No. 18-03651.001-C-1, which was based upon an agreement of the parties lowering the subject property's assessment.

After being notified of this appeal, the board of review requested dismissal of this appeal by letter dated September 30, 2021, contending that the Property Tax Appeal Board has no jurisdiction over this direct appeal to the Property Tax Appeal Board pursuant to Section 16-185 of the Illinois Property Tax Code (35 ILCS 200/16-185). The board of review asserted that the appellant did not file an appeal with the Livingston County Board of Review for the 2020 assessment year. Furthermore, the board of review asserted that tax years 2018 and 2020 are not within the same general assessment period in Livingston County. Consequently, the board of review requested that this 2020 tax year appeal be dismissed because it was inappropriately filed from the issuance of a 2018 tax year favorable decision of the Property Tax Appeal Board.

In response, the appellant argued that the board of review's motion to dismiss should be denied. The appellant contended that Section 16-185 of the Property Tax Code permits this direct appeal to the Property Tax Appeal Board because the time for filing a 2020 tax year appeal with the Livingston County Board of Review had expired by the time that the 2018 tax year Final Administrative Decision was issued by the Property Tax Appeal Board.

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After reviewing the record and considering the arguments of the parties the Property Tax Appeal Board finds it does not have jurisdiction over the appeal.

The record in this appeal establishes that a Final Administrative Decision was issued by the Property Tax Appeal Board lowering the assessment of the subject property for the 2018 tax year and the appellant's Commercial Appeal petition was postmarked within 30 days of that decision. As stated by the appellant in its response to the motion, the time for the appellant to file an appeal with the Livingston County Board of Review for the 2020 tax year had expired when the decision of the Property Tax Appeal Board was received by the appellant.

As currently enacted, Section 16-185 provides in relevant part as follows:

If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the board of review or board of appeals or after adjournment of the session of the board of review or board of appeals at which assessments for the **subsequent year or years of the same general assessment period**, as provided in Sections 9-215 through 9-225, are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for **such subsequent year or years** directly to the Property Tax Appeal Board.

35 ILCS 200/16-185 (emphasis added). Section 16-185 was amended by Public Act 100-0216, which became effective August 18, 2017. Prior to the enactment of Public Act 100-0216, Section 16-185 permitted only direct appeals for the immediate subsequent tax year regardless of whether such tax year was within the same assessment period provided that the board of review was no longer accepting complaints or had adjourned for that subsequent year. Before this amendment, Section 16-185 provided in relevant part as follows:

If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the board of review or board of appeals or after adjournment of the session of the board of review or board of appeals at which assessments for the **subsequent year** are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for **the subsequent year** directly to the Property Tax Appeal Board.

35 ILCS 200/16-185 (prior to amendment by P.A. 100-0216, eff. Aug. 18, 2017) (emphasis added). Senator Morrison, one of the sponsors of the 2017 amendment to Section 16-185, explained “[t]he goal of this legislation is to make [the] PTAB appeal processes more taxpayer friendly and reduce the length of the process. Senate Bill 609 amend – the amendment provides that if the Property Tax Appeal Board lowers the assessment of a property, **a taxpayer may aggregate appeals of subsequent years’ assessments** – that’s a mouthful – **within the same general assessment period**. Currently, the taxpayer must file a separate appeal within thirty days after PTAB’s date of decision for the prior year.” State of Illinois 100th General Assembly, Regular Session Senate Transcript, 32nd Legislative Day 4/6/2017, at 29 (emphasis added). The legislative history is clear that the purpose of the amendment was to expand a taxpayer’s appeal rights by permitting direct appeals of multiple tax years that are within the same assessment period.

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A taxpayer may file a direct appeal to the Property Tax Appeal Board for the immediate succeeding tax year when the county board of review is no longer accepting complaints or has adjourned for that tax year regardless of whether that year is within the same general assessment period. However, a taxpayer may only “aggregate appeals of subsequent years assessments” to the Property Tax Appeal Board for successive tax *years* that are within the same general assessment period as the tax year of the Property Tax Appeal Board’s decision and for which the county board of review is no longer accepting complaints or has adjourned.

As the Board finds that the 2019 tax year was the beginning of the new quadrennial general assessment cycle within Livingston County, pursuant to Section 16-185 of the Property Tax Code as amended in 2017, the Property Tax Appeal Board finds that it lacks jurisdiction over this 2020 tax year appeal which was filed as a direct appeal to the Property Tax Appeal Board following a 2018 tax year Final Administrative Decision of the Property Tax Appeal Board.¹

Based on this record, the Property Tax Appeal Board grants the board of review’s motion to dismiss.

¹ The Property Tax Appeal Board further recognizes that the appellant has a pending 2019 tax year appeal known as Docket No. 19-09518.001-C-1. If a favorable decision is issued in the pending 2019 tax year appeal, the appellant will be able to file for the *subsequent tax years of the quadrennial assessment cycle* that commenced with the 2019 tax year as long as the board of review has adjourned/is not accepting appeals for that tax year.

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APPELLANT:	<u>Zachary Hoffman</u>
DOCKET NUMBER:	<u>20-07568.001-C-1 and 20-07568.002-C-1</u>
DATE DECIDED:	<u>November 2022</u>
COUNTY:	<u>Sangamon</u>
RESULT:	<u>Reduction</u>

The subject property consists of two parcels improved with a 1-story single-tenant commercial building of masonry construction with 16,800 square feet of building area. The building was constructed in 1963 with additions constructed in 1964, 1967, and 1988. Features of the building include 10,500 square feet of office/showroom area, 6,300 square feet of warehouse area, a concrete slab foundation, and 22 parking spaces. The property has a 35,219 square foot site and 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 \$400,000 as of July 9, 2020. The appraisal was prepared by Gregory L. Kienzler, an Illinois certified general appraiser, for the purpose of a mortgage finance transaction. The appraiser inspected the subject property on July 9, 2020. The appraiser stated that personal property was not included in the value conclusion. The appraiser developed the cost approach and sales comparison approach but did not develop the income approach due to the subject being owner-occupied and its configuration as a single-tenant property.

Under the cost approach to value, the appraiser first developed a value conclusion for the subject's land. The appraiser considered ten vacant land sales¹ located in Springfield and ranging in size from 21,276 to 118,079 square feet of land area. These comparables sold from January 2018 to May 2020 for prices ranging from \$85,000 to \$570,000 or from \$0.97 to \$6.26 per square foot of land area. The appraiser considered seven of these comparables with adjustments for differences from the subject, such as location and utility, and for the type of purchaser, to compute adjusted sale prices from \$1.28 to \$1.88 per square foot of land area. Based on the foregoing, the appraiser opined the subject's site had a value of \$49,307 (rounded to \$50,000) or \$1.40 per square foot of land area.

The appraiser next examined costs and indicated economic life under the Marshall Valuation Service for an Average Discount Store Class C, a Good Warehouse Showroom Store, and an Average Retail Store Class C to compute a replacement cost new of the subject building of \$1,344,000 or \$80.00 per square foot of building area and to compute depreciation for the subject building of 68% or \$914,000, resulting in a depreciated replacement cost of \$430,000. The appraiser also computed the cost of other improvements, such as parking area, sidewalks, lighting, and landscaping, at \$92,000 and computed depreciation of 60% or \$55,000, resulting in depreciated site improvements of \$37,000. Based on the foregoing depreciated replacement costs and site value, the appraiser opined a value of \$517,000 (rounded to \$500,000) for the subject property under the cost approach.

¹ These comparables are designed as #1, #2, #3a, #3b, and #4 through #9 in the appraisal.

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Under the sales comparison approach to value, the appraiser examined twelve comparable sales and one listing located in Springfield. The comparables are improved with one or two single-tenant or multi-tenant commercial buildings ranging in size from 6,000 to 22,000 square feet of building area, with office and warehouse, retail and/or warehouse, banquet hall, and manufacturing uses. The comparables sold from February 2018 to March 2020 for prices ranging from \$145,000 to \$600,000 or from \$10.34 to \$47.50 per square foot of building area, including land. Comparable #1 was purchased by an adjacent property owner. The appraiser considered seven of these comparables with adjustments for differences from the subject, such location, condition, and utility, to compute adjusted sale prices from \$17.72 to \$30.29 per square foot of building area. Based on the foregoing, the appraiser opined a value for the subject of \$400,000 or \$23.81 per square foot of building area, including land.

In reconciling these two approaches to value, the appraiser placed the most weight on the sales comparison approach despite stating the comparables required extensive adjustments and gave little to no weight to the value conclusion developed under the cost approach.

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

The board of review submitted two sets of its "Board of Review Notes on Appeal" disclosing the total combined assessment for the subject of \$173,670. The subject's combined assessments reflect a market value of \$524,208 or \$31.20 per square foot of living area, land included, when using the 2020 three year average median level of assessment for Sangamon County of 33.13% as determined by the Illinois Department of Revenue.

The board of review further indicated in its "Board of Review Notes on Appeal" that the appellant did not file a complaint with the board of review but filed this appeal directly to the Board following receipt of notices of an equalization factor of 1.0035 for Capital Township which increased the subject's total assessment from \$173,064 to \$173,670.

Based on this evidence the board of review requested the subject's total 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the only evidence of market value to be the appellant's appraisal of the subject property with a final value conclusion of \$400,000 as of July 9, 2020. The board of review did not submit any evidence in support of its assessment of the subject property. On this record, the Board has examined the evidence submitted by the appellant and finds that a reduction in the assessed valuation of the subject property is warranted.

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However, the record indicates that the appellant did not file a complaint with the board of review but appealed the subject's total assessment directly to the Board based on notices of an equalization factor. Since the appeal was filed after notification of an equalization factor, the amount of relief that the Board can grant is limited. Section 1910.60(a) of the rules of the Board states in part:

If the taxpayer or owner of property files a petition within 30 days after the postmark date of the written notice of the application of final, adopted township equalization factors, the relief the Property Tax Appeal Board may grant is limited to the amount of the increase caused by the application of the township equalization factor. (86 Ill.Admin.Code §1910.60(a)).

Additionally, section 16-180 of the Property Tax Code provides in pertinent part:

Where no complaint has been made to the board of review of the county where the property is located and the appeal is based solely on the effect of an equalization factor assigned to all property or to a class of property by the board of review, the Property Tax Appeal Board may not grant a reduction in the assessment greater than the amount that was added as the result of the equalization factor. (35 ILCS 200/16-180).

These provisions mean that where a taxpayer files an appeal directly to the Board after notice of application of an equalization factor, the Board cannot grant an assessment reduction greater than the amount of increase caused by the equalization factor. Villa Retirement Apartments, Inc. v. Property Tax Appeal Board, 302 Ill. App. 3d 745, 753 (4th Dist. 1999). Based on a review of the evidence contained in the record, the Board finds a reduction in the assessment of the subject property is supported, but such reduction is limited to the increase in the assessment caused by the application of the equalization factor.

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APPELLANT:	<u>Imperial Towers Condominium Association</u>
DOCKET NUMBER:	<u>18-33833.001-C-1</u>
DATE DECIDED:	<u>May 2022</u>
COUNTY:	<u>Cook</u>
RESULT:	<u>No Change</u>

The subject property consists of a single commercial condominium unit located within the Imperial Towers Condominium Association. The property is located in Lakeview Township, Cook County. The subject is classified as a class 5-99 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's counsel argued that the subject condominium unit (Suite 228) was entitled to a \$1.00 assessment as required by Section 10(a) of the Condominium Property Act (765 ILCS 605/10(a)). The provision provides in part that:

For purposes of property taxes, real property owned and used for *residential* purposes by a condominium association, including a master association, but subject to the exclusive right by easement, covenant, deed or other interest of the owners of one or more condominium properties and used exclusively by the unit owners for recreational or other residential purposes shall be assessed at \$1.00 per year. ***The balance of the value of the property shall be assessed to the condominium unit owners.*** In counties containing 1,000,000 or more inhabitants, any person desiring to establish or to reestablish an assessment of \$1.00 under this Section ***shall make application therefor and be subject to the provisions of Section 10-35 of the Property Tax Code. (Emphasis added)***

In support of this claim, the appellant's attorney stated that this unit was a former commercial office space. The association purchased the unit in April 2015 with the intent that it would become a fitness area. Since its acquisition, the space has remained vacant but is used as a storage area for the condominium association. Evidence submitted in support of a reduction included black and white photos of the space, an affidavit from the interim property manager of the condominium association testifying that the subject unit is owned by the association and that the unit is currently vacant, and a vacancy affidavit. The appellant's attorney stated that the condominium declaration has not been amended to reflect the common area nature of the space. There was no deed or declaration submitted as supporting evidence. Based on this evidence, the appellant requested a \$1.00 assessment for the subject unit.

The board of review submitted its Notes on Appeal which did not specifically address the appellant's contention that the subject unit should be assessed as common area.

Conclusion of Law

The appellant contends the subject's assessment should be reduced to reflect common area status. "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

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preponderance of the evidence.” 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.

The Property Tax Appeal Board finds that, based on 35 ILCS 200/10-35, the common areas of any type of residential real property development can be assessed at \$1.00 if it conforms to the definition and requirements of a common area as defined in the statutes. The Condominium Property Act, 765 ILCS 605/2, contains the following definitions:

(c) "Property" means all the land, property and space comprising the parcel, all the improvements and structures erected, constructed or contained therein...

(d) "Unit" means a part of the property designated and intended for any type of independent use.

(e) "Common Elements" means all portions of the property *except the units*, including limited common elements unless otherwise specified.

The legislature specifically stated in the Property Tax Code that common areas "used for recreational or similar *residential* purposes" shall be assessed at \$1.00 per year. 35 ILCS 200/10-35(a). The General Assembly broadly defined common areas in section 10-35(a) as property "the beneficial use and enjoyment of which is reserved in whole as an appurtenance to the separately defined lots..." 35 ILCS 200/10-35(a). Likewise, the legislature specifically stated in the Condominium Property Act that "real property owned and used for *residential* purposes by a condominium association...used exclusively by the unit owners for recreational or other *residential* purposes" shall be assessed at \$1.00 per year. 765 ILCS 605/10(a).

Moreover, 35 ILCS 200/10-35 (b) states:

In counties with 3,000,000 or more inhabitants, any person desiring to establish or to reestablish an assessment of \$1 for any parcel on grounds of common area status under this Section shall submit an application for the assessment to the assessor. The application shall be submitted at the time within which other applications for revisions of assessment may be made under Section 14-35 by taxpayers in the township where the parcel is located, and shall be in the form and accompanied by documentation, as the assessor may require.

The Property Tax Appeal Board finds that the subject unit is classified as a commercial unit and is therefore not used for residential purposes. The subject unit, as part of the total units, is, in fact, a recorded commercial unit that is designated, intended and used for independent use. The subject unit is a legal unit of record insofar as it was recorded and identified with a specific legal description and covenants that designate the unit for independent use. In order to create a common area it would be necessary for the association to convey and record the subject into common area status.

As neither the declaration nor the bylaws of the association have been amended to distribute the value of the subject unit to the other units within the association, the Board finds that the subject unit does not meet the above requirements for the definition of "common area" and thus does not

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qualify for a \$1.00 common area assessment. Based on the evidence contained in the record, the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	Wessel Court East, LLC
DOCKET NUMBER:	19-02440.001-C-2
DATE DECIDED:	November 2022
COUNTY:	Kane
RESULT:	No Change

The subject parcel consists of approximately 55.39 acres and is part of a multi-parcel property that was formerly operated as a golf course known as Mill Creek Golf Club. The subject parcel includes 53.95 acres of golf course land area and 1.44 acres that is improved with a one-story clubhouse building with 11,404 square feet of building area. The building was constructed in 1998 and contains a lobby, a pro shop/bar, banquet hall facilities, restrooms, locker rooms, and storage areas. The building also has a basement, a patio, and a deck. The subject property is also improved with a parking lot that is situated on a portion of the 53.95 acres and a portion of the 1.44 acres. The subject is located in Geneva, Blackberry Township, Kane County.

The appellant's appeal is based on a contention of law that the portion of the subject property associated with the clubhouse should receive an open space assessment as provided by Section 10-155 of the Property Tax Code (35 ILCS 200/10-155). In support of this argument, the appellant submitted a brief explaining that the appellant's tenant previously operated a golf course at the subject property. The appellant acknowledged that the subject property "has been completely closed to golf and non-golf use for 2019." Nonetheless, the appellant contended that a significant portion of the first floor of the clubhouse, such as the pro shop and locker rooms, and the entire basement area directly support and facilitate the existence of the golf course and should be assessed as open space, citing to Section 10-155 of the Property Tax Code and Lake County Board of Review v. Ill. Prop. Tax Appeal Bd., 2013 IL App (2d) 120429. The appellant submitted a floor plan of the building, depicting a lobby, pro shop/bar, patio, banquet facilities, and restrooms.

The appellant also presented a 2013 final administration decision of the board of review on the appellant's Application for Valuation as Open Space. In making its determination, the board of review stated it relied on the appellate court's decision in Lake County, quoting "there must be some substantial nexus between the land for which the exemption is claimed and the landscaped area it is claimed to conserve." The board of review reported that the banquet facilities are open to the general public for non-golf related events and the restaurant is open to the general public for non-golf related dining. Based on the foregoing, the board of review concluded for the 2013 tax year that 1.44 acres of the subject's land, which is improved with the clubhouse and a portion of the parking lot, did not qualify for an open space designation because there was no substantial nexus to the remaining land, which was being utilized as a golf course and did qualify for an open space designation.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$376,780.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$551,254. In support of its contention of the correct assessment the board of review submitted a brief explaining the subject property has not been used as a golf course

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since 2018. The board of review stated that the other parcels comprising the former golf course and 53.95 acres of the subject property continue to be assessed as open space at \$1,667 per acre, which would reflect a market value of \$5,000 per acre. The board of review explained these land areas assessed as open space have no buildings but are improved with fairways, greens, bunkers, rough, and water hazards. With respect to the 1.44 acres improved with the clubhouse, the board of review, considering the Lake County case, concluded that the 1.44 acres did not qualify for an open space designation because the property was not used for open space purposes or for any purpose in 2019. The board of review acknowledged that a golf course clubhouse could qualify for open space designation, where it was used to prepare for golf, purchase golf supplies, and buy refreshments for consumption while golfing, but not like in this case where the clubhouse was not being used to support golfing or for any other purpose.

The board of review presented aerial photographs of the subject property, depicting the presence or absence of golf carts and vehicles from 2001 to 2019, and undated photographs taken by the township assessor, depicting the exterior and interior of the clubhouse building, including golf course supplies, kitchen supplies, and banquet hall furniture stored in the basement.

The board of review also submitted an article from the Kane County Chronicle dated April 1, 2018, which reported that a sign posted on the subject's clubhouse door and the golf course's website advised that the Mill Creek Golf Club was closed for the season.

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

Conclusion of Law

The appellant's argument is based on a contention of law regarding the interpretation and application of section 10-155 of the Property Tax Code (35 ILCS 200/10-155). The standard of proof on a contention of law 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.

This appeal involves the application of Section 10-155 of the Property Tax Code to the 1.44 acre portion of the subject property, including the clubhouse. The open space designation of the subject's remaining 53.95 acres is not at issue in this appeal.

Section 10-155 of the Property Tax Code provides as follows:

Sec. 10-155. Open space land; valuation. In all counties, in addition to valuation as otherwise permitted by law, **land which is used for open space purposes and has been so used for the 3 years immediately preceding the year in which the assessment is made**, upon application under Section 10-160, shall be valued on the basis of its fair cash value, estimated at the price it would bring at a fair, voluntary sale for use by the buyer for open space purposes.

Land is considered used for open space purposes if it is more than 10 acres in area and:

(a) is actually and exclusively used for maintaining or enhancing natural or scenic resources,

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- (b) protects air or streams or water supplies,
- (c) promotes conservation of soil, wetlands, beaches, or marshes, including ground cover or planted perennial grasses, trees and shrubs and other natural perennial growth, and including any body of water, whether man-made or natural,
- (d) conserves landscaped areas, such as public or private golf courses,**
- (e) enhances the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations, sanctuaries, or other open spaces, or
- (f) preserves historic sites.

Land is not considered used for open space purposes if it is used primarily for residential purposes. If the land is improved with a water-retention dam that is operated primarily for commercial purposes, the water-retention dam is not considered to be used for open space purposes despite the fact that any resulting man-made lake may be considered to be used for open space purposes under this Section.

35 ILCS 200/10-155 (emphasis added). A landscaped area, such as golf course, is one of the specified uses that qualify for open space designation as set forth in Section 10-155(d) of the Property Tax Code.

Improvements may be valued as open space where “there is some substantial nexus between the land for which the exemption is claimed and the landscaped area it is claimed to conserve.” Lake County Bd. of Review v. Ill. Prop. Tax Appeal Bd., 2013 IL App (2d) 120429, P10. With respect to a golf course, “the improvement in question must directly relate to and thus facilitate the existence of the golf course.” Id. Tax exemptions, such as the open space exemption under Section 10-155 of the Property Tax Code, are to be construed narrowly and the taxpayer has the burden to prove an exemption. Id.

In the Lake County case, the appellate court stated that mixed use improvements, such as a maintenance building, should be examined for how they facilitate the existence of the golf course (i.e., whether lawn mowers or pool cleaning supplies are stored in the maintenance building). Id. at P12. Portions of an improvement can separately qualify for open space designation where “different parts of an improvement may be easily discernable and severable for the purpose of ascertaining whether a portion conserves open space while another does not.” Id. at P14. If separation is not possible, then the improvement should be classified according to its primary use. Id. at P15.

The appellant contended that a significant portion of the first floor of the clubhouse and the entire basement of the clubhouse facilitated the existence of the golf course, but the appellant also acknowledged in its brief that the golf course was not operated in 2019 and the subject property was not used for any purpose in 2019. The board of review argued that the subject property was not used for open space purposes in 2019 inasmuch as the golf course ceased to operate in 2018. In written rebuttal, the appellant did not refute the board of review’s contention that the subject property has not been used as a golf course since 2018. Accordingly, the Board finds the subject property has not been used as a golf course since 2018 and was not used for any purpose in 2019.

Despite the closure of the golf course, the subject property could still qualify for an open space designation to the extent it conserves landscaped areas. The board of review confirmed that 55.39

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acres of the subject property and the other parcels comprising the former golf course continue to be assessed as open space. The appellant did not present any evidence to demonstrate how any portion of the 1.44 acres improved with the clubhouse and associated parking lot contributed to the conservation of the landscaped areas, the former golf course. The appellant only argued a prior use in connection with the golf course that closed in 2018, which contention was also not supported by any evidence, such as descriptive details of the clubhouse areas and their uses. Thus, the Board finds the 1.44 acres did not conserve landscaped areas nor did this area facilitate the existence of landscaped areas in 2019.

Under Section 10-155 of the Property Tax Code, “land which is used for open space purposes” may qualify for an open space designation. Accordingly, property which has ceased to be used for open space purposes will not qualify for an open space designation. Although Section 10-155 of the Property Tax Code also has 3-year use requirement, the appellant cannot rely solely on historical use.¹

Based on this record, the Board finds that no portion of the 1.44 acres, which includes the clubhouse and a portion of the subject’s parking lot, qualifies for an open space designation under Section 10-155 of the Property Tax Code, and a reduction in the subject’s assessment is not justified.

¹ The Board notes that there is no evidence in the record to indicate that the 1.44 acres was historically assessed as open space. To the contrary, the appellant presented a 2013 decision of the board of review concluding that the 1.44 acres did not qualify for an open space designation.

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PROPERTY TAX APPEAL BOARD
SYNOPSIS OF REPRESENTATIVE CASES
2022 INDUSTRIAL DECISIONS



PROPERTY TAX APPEAL BOARD
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Ozinga Ready Mix Concrete, Inc.	19-06955.001-I-2 thru 19-06995.002-I-2	Reduction	I-16 to I-18
S&M Real Estate Holdings (Steve Schweinsberg)	19-04957.001-I-1	No Change	I-19 to I-20
INDEX			I-21

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APPELLANT:	Community Consolidated School Dist. No. 93
DOCKET NUMBER:	16-05850.001-I-3
DATE DECIDED:	September 2022
COUNTY:	DuPage
RESULT:	Increase

Prior to the scheduled hearing date of October 22, 2020, a joint motion was filed requesting the Property Tax Appeal Board issue a decision in this matter based on the evidence in the record without conducting a hearing. The motion was signed by Joe R. DeTella the appellant/taxing district's attorney and Mathew R. Rasche and Carl Peterson, Members of the DuPage County Board of Review. On the scheduled hearing date of October 22, 2020, Mathew J. Walters, attorney for appellant/taxing district appeared before the Property Tax Appeal Board. No other parties to the appeal were present at the scheduled hearing, namely, any Member of the DuPage County Board of Review or their legal counsel, or Bloomingdale Park District, Bloomingdale Public Library and Village of Bloomingdale, intervening taxing districts, by their attorney Scott L. Ginsburg.

Mr. Walters stated there is a pending joint motion with School District #93 and the DuPage County Board of Review for the Property Tax Appeal Board to issue a decision on the evidence without a hearing that was previously submitted. The Administrative Law Judge reviewed the motion. The Administrative Law Judge determined the intervening taxing districts, through attorney Scott L. Ginsburg, adopted the evidence submitted by both the appellant and board of review. Therefore, the Administrative Law Judge found the intervening taxing bodies were parties in the joint motion pursuant to Property Tax Appeal Board rule.

By email, the Administrative Law Judge issued a written ruling. The Administrative Law Judge found that the intervening taxing districts adopted the evidence submitted by both the appellant and board of review and the taxing districts were parties to the joint motion. The Administrative Law Judge determined the owner/taxpayer had been found in default and was therefore prohibited from raising an objection to the joint motion. Therefore, the Administrative Law Judge granted the motion to issue a decision based on the record finding all other parties not appearing at the hearing waived any objection.

The subject property is improved with a one-story single-tenant masonry and steel frame constructed industrial building having warehouse storage, distribution, and production applications with general and private office space. The building contains 95,510 square feet of building area and was constructed in 1991 with an addition in 1996. Approximately 20.01% of the building is office space. The building is situated on a concrete slab foundation and has a built-up flat roof supported by metal decking and steel structural components with a rubber membrane covering. Flooring consists of tile and carpet in the office area and reinforced exposed concrete in the industrial areas. Interior finish includes painted drywall in the office areas and exposed walls in the industrial and warehouse areas. Ceiling includes painted drywall and acoustic ceiling tiles in the office area exposed structure components. Ceiling heights are 24 or 25 feet with fluorescent, incandescent and halide lighting fixtures. There are also restroom/locker room facilities. The professional/office area is heated and cooled by combination rooftop units. The industrial portions

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are heated by ceiling suspended gas fired units. The building also has units to allow for conversion to be fully air conditioned. The building is serviced by a sprinkler system. The subject has one overhead door and five truck height loading docks with levelers. Site improvements include asphalt parking, paved drives, light standards, concrete walks and landscaping. The subject site has 5.75 acres or 250,470 square feet of land area resulting in a land-to-building ratio of 2.62:1.

The appellant contends undervaluation 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 \$5,250,000 as of January 1, 2016. The appraisal was prepared by real estate appraisers Dale J. Kleszynski and Patrick A. Kleszynski of Associated Property Counselors, Ltd. Both appraisers are licensed Certified General Real Estate Appraisers by the State of Illinois. The Board has marked the appraisal as Appellant Exhibit No. 1.

Kleszynski determined the highest and best use as improved to be the current use as a single-tenant industrial building having warehouse production, distribution and storage applications. Kleszynski did not develop the cost approach to value but developed a land value estimate to allow the intended user to better understand the land component to assist in formulating a conclusion about the highest and best use. In estimating the land value, the appraisers utilized five land sales located in Bloomingdale, Bartlett and Bensenville. The comparables ranged in size from 257,880 to 388,120 square feet of land area. The sales occurred from January 2014 to November 2015 for prices ranging from \$1,219,000 to \$2,050,000 or from \$4.00 to \$6.78 per square foot of land area. Based on these sales and considering adjustments to the comparables for differences to the subject in location, land area and zoning, Kleszynski estimated the subject property had a land value of \$6.75 per square foot of land area or \$1,700,000, rounded.

Kleszynski next developed the income approach to value. The appraisers identified four comparable rentals located in Itasca, Carol Stream, Hanover Park and Roselle in order to estimate the market rent associated with the subject property. The buildings ranged in size from 62,970 to 238,423 square feet of building area. The comparables had leases commencing from September 2015 to August 2016 having lease terms from 2 to 7 years. Rental rates ranged from \$4.25 to \$5.15 per square foot on a net basis. The appraisers indicated the comparables required minor adjustments for location, size, condition, construction and utility. As a result, the appraisers estimated the subject's market rent to be \$5.00 per square foot of building area on a net basis wherein the tenant pays a pro-rata portion of the real estate tax, insurance and common area maintenance (CAM). The tenant would also be responsible for general repairs and utilities. The owner would be responsible for the expense associated with vacancy, reserves for replacement, miscellaneous items and management fees. Applying the net rental rate of \$5.00 per square foot of building area, the appraiser calculated the subject's annual rental income of \$477,550. Adding tenant reimbursements for taxes, insurance and common area maintenance of \$178,372, the appraisers concluded the subject has a potential gross income of \$655,922. The appraisers utilized a vacancy and collection loss of 10% of potential gross income or \$65,592, which was deducted to arrive at an effective gross income (EGI) of \$590,330. The appraisers next estimated expenses for real estate taxes of \$101,964; insurance at \$.20 per square foot of building area or \$19,102; management fee of \$17,192; common area maintenance (CAM) of \$.60 per square foot of building area or \$57,306; reserves for replacement of \$.05 per square foot of building area or \$4,298; and miscellaneous expenses of \$.023 per square foot or \$2,149, resulting in total expenses of \$202,011

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or an expense ratio of 34.421% of the EGI. Therefore, the appraisers concluded a net operating income (NOI) of \$388,319.

In selecting a capitalization rate, the appraisers consulted published indices such as Korpacz, RealtyRates, the Appraisal Institute and PricewaterhouseCoopers, LLP with overall rates ranging from 3% to 8.94%. The appraisers also used the band of investment technique to develop a capitalization rate. Kleszynski estimated the debt amount would be based on a 75% loan to value ratio, a 4.50% fixed mortgage interest rate, and a 25-year amortization, which would result in a mortgage constant of .0667. The equity investment was 25% with an anticipated return of 9.50%. Using these estimates the appraisers arrived at a capitalization rate by the band of investment method of 7.40%. Capitalizing the NOI of \$388,319 by the capitalization rate of 7.40% resulted in an estimated value under the income approach of \$5,250,000, rounded.

Using the sales comparison approach to value, the appraisers selected five comparables due to their date of sale, location, industrial use and building configuration. The comparable sales are located in Bloomingdale, Naperville, Addison, and Glendale Heights. Each comparable is described as an industrial/warehouse building like the subject. The comparables consist of one-story buildings that range in size from 59,370 to 152,859 square feet of building area. The buildings were constructed from 1986 to 1994. These properties have sites ranging in size from 4.52 to 11.55 acres or from 197,065 to 503,157 square feet of land area with land-to-building ratios ranging from 1.82:1 to 3.32:1. The comparables have 24-foot clear ceiling heights, 3 to 10 loading docks, 1 to 3 overhead doors and from 1.8% to 28.9% of office space. The sales occurred from February 2014 to March 2016 for prices ranging from \$3,850,000 to \$7,500,000 or from \$45.12 to \$64.85 per square foot of building area including land. Elements of comparison used by the appraisers to adjust the comparables included property rights conveyed, financing terms, condition of sale, changes in market condition and trends, location, land-to-building ratio, building size, and physical variations of the current use and condition. Comparable #2 was described as a leased fee transaction. Comparable #2 was not adjusted for the leased fee interest transaction because the lease encumbering the property was reflective of market levels and the buyer intended to occupy the building. Comparables #1, #4 and #5 had overall upward adjustments while comparables #2 and #3 had overall downward adjustments. Based on these qualitative adjusted sale prices, the appraisers arrived at an estimated market value of \$55.00 per square foot of building area including land, for a total value of \$5,250,000, rounded.

In reconciling the approaches to value, the appraisers gave greatest consideration to the sales comparison approach to value and supportive consideration to the income approach to value in formulating the final value conclusion. As a result, the appraisers concluded a final estimated market value for the subject property of \$5,250,000 as of January 1, 2016.

Based on this evidence, the appellant/taxing district requested the subject's total assessment be increased to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$1,040,930. The subject's assessment reflects a market value of \$3,126,855 or \$32.74 per square foot of building area, land included, when using the 2016 three-year average median level of assessment for DuPage County of 33.29% as determined by the Illinois Department of Revenue.

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In support of its contention of the correct assessment the board of review submitted a grid analysis with limited descriptive data for five suggested comparable sales located in Bloomingdale, Elk Grove Village and Bensenville. The evidence was prepared by the Bloomingdale Township Assessor. Comparable #1 was the sale of the subject property in October 2014. The grid analysis indicates the comparables are improved with buildings of unknown story height and exterior construction that were built from 1967 to 1977 and range in size from 81,544 to 100,000 square feet of building area. The comparables' sites sizes were not disclosed but land-to-building ratios were reported to range from 1.78:1 to 2.51:1. Clear ceiling heights ranged from 18-27 feet. The grid analysis did not disclose if the properties were single or multi-tenant buildings, their use or any other salient features such as percentage of office space. The sales occurred from December 2013 to June 2015 for prices ranging from \$2,300,000 to \$4,973,000 or from \$23.36 to \$52.07 per square foot of building area including land. Comparable #1 is the subject and sold in October 2014 for \$4,973,000 or \$52.07 per square foot of building area including land. The listing/data sheet submitted by the board of review further shows the subject re-sold in September 2016 for \$6,060,000 or \$63.45 per square foot of building area including land

To document the comparables the board of review submitted copies of documents such as listing sheets, property record cards and some the PTAX-203 Illinois Real Estate Transfer Declaration and the PTAX-203-A Illinois Real Estate Transfer Declaration Supplemental Form A.

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

Intervening taxing districts Bloomingdale Park District, Bloomingdale Public Library and Village of Bloomingdale adopted the evidence "of the Intervening School District and DuPage County Board of Review."

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). National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3d Dist. 2002). 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 an increase in the subject's assessment is warranted.

The appellant submitted a narrative appraisal estimating the subject property had a market value of \$5,250,000 or \$54.97 per square foot of building area including land as of January 1, 2016. The board of review provided information on five comparable sales, which included the 2014 sale of the subject, in support of its contention of the correct assessment. The subject property has a total assessment of \$1,040,930, which reflects a market value of \$3,126,855 or \$32.74 per square foot of building area including land when using the 2016 three-year average median level of assessment for DuPage County of 33.29% as determined by the Illinois Department of Revenue.

The Board gave little weight to comparable sales #2 through #4 submitted by the board of review. These comparables are from 14 to 24 years older in age and have inferior clear ceiling heights

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when compared to the subject. In addition, in reviewing the listing/data sheets, the Board finds comparables #3, #4 and #5 are multi-tenant properties unlike the subject's single tenant use and comparable #4 was described as having "deferred maintenance" suggesting this property is inferior in condition when compared to the subject. Finally, unlike the appellant's appraisers, the board of review did not attempt to adjust these comparables for differences from the subject property, which detracts from the weight of the evidence.

Based on this record, the Board finds the best evidence of market value to be the appraisal prepared by the Kleszynskis on behalf of the appellant. The appellant's appraisers developed two of the three traditional approaches to market value in arriving at an estimated market value of \$5,250,000 as of January 1, 2016. Under the sales and income approaches to value the appraisers arrived at an estimated market value of \$5,250,000. In reconciling the two approaches to value the appraisers gave primary consideration to the sales comparison approach to value with support from the income approach to value in arriving at the final opinion of value of \$5,250,000.

The Board finds the board of review and intervening taxing districts did not present any evidence that challenged or refuted the appellant's appraisers' estimate of the subject's value. No evidence was presented by the board of review or intervenors to challenge or refute the appellant's appraisers' calculations under the income approach to value for such elements as market rent, potential gross income, vacancy and collection loss, the effective gross income, expenses, the net operating income or the capitalization rate used to capitalize the net operating income into an indication of value. The Board finds the sales comparison approach to value contained in the appellant's appraisal detailed the selection and use of similar comparable properties for comparison to the subject and outlined the detailed adjustment process to account for differences of the comparables from the subject property. Again, the board of review and intervenors did not challenge or refute the selection of the comparables, the elements of comparison, the adjustment process or final value conclusion. Based on this analysis, the Board finds the appraisal presented by the appellant provides a more credible estimate of value than the dissimilar unadjusted sales provided by the board of review and adopted by the intervenors.

The Board further finds this record contains information pertaining to the sale of the subject property. The subject sold in October 2014 for \$4,973,000 or \$52.07 per square foot of building area including land and re-sold in September 2016 for \$6,060,000 or \$63.45 per square foot of building area including land. The subject property's assessment of \$1,040,930 reflects a market value of \$3,126,855 or \$32.74 per square foot of building area including land. The Board finds both the 2014 and 2016 sales demonstrate the subject property is undervalued in relation to its assessed valuation and further supports the appellant's appraisers' final estimate of value of \$5,250,000 as of January 1, 2016.

In conclusion, based on the evidence presented by the parties in this appeal, the Board finds the subject property had a market value of \$5,250,000 as of the January 1, 2016. Since market value has been established the 2016 three-year average median level of assessments for DuPage County of 33.29% as determined by the Illinois Department of Revenue shall apply, rounded.

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APPELLANT:	Medline Industries, Inc.
DOCKET NUMBER:	20-01183.001-I-3 thru 20-01183.011-I-3
DATE DECIDED:	October 2022
COUNTY:	Lake
RESULT:	No Change

The subject property consists of a single-tenant industrial building of precast concrete exterior construction with 149,449 square feet of gross building area. The building has 8,935 square feet of office area (approximately 6% of gross building area), 17,340 square feet of production area, and 123,174 square feet of warehouse area with 31 foot ceiling clearance, 24 docks, and 2 drive-in doors. The building was constructed in 2002. The property has approximately 75,000 square feet of asphalt paved area, consisting of two small parking lots with a total of 67 parking spaces and paved drive areas, and an approximately 25,000 square foot concrete area for truck parking. The property has a 345,801 square foot, or 7.94 acre, site with a land-to-building ratio of 2.31:1 and is located in Waukegan, Libertyville 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 fee simple interest of the subject property had a market value of \$5,800,000 as of January 1, 2018. The appraisal was prepared by Michael S. Lysien, certified general appraiser, Peter D. Helland, MAI, certified general appraiser, and Edward V. Kling, MRICS, certified general appraiser, for ad valorem tax purposes.

Under the cost approach, the appraisers examined five vacant industrial land sales located in Lake County. The comparables range in size from 111,542 to 191,259 square feet of land area and sold from July 2015 to October 2017 for prices ranging from \$675,000 to \$1,250,000 or from \$4.43 to \$6.70 per square foot of land area. The appraisers made adjustments to these comparables for differences from the subject, such as location, lot size, and other lot features, to estimate a market value for the subject lot of \$1,729,005, or \$5.00 per square foot of land area, rounded to \$1,700,000.

In calculating a replacement cost new of the subject improvements of \$8,825,813, the appraisers utilized Section 14, Page, 14, Industrials, Mega (Storage/Distribution) Warehouse, Class C, Average of Marshall & Swift Valuation Service manual. With respect to calculating depreciation, the appraisers explained that the market extraction method is most reliable when the comparables are directly comparable to the subject. Using the comparable sales #1, #3, and #4 presented in the sales comparison approach, the appraisers calculated accrued depreciation of 56.00%, or an average annual rate of depreciation of 3.50% per year. The appraisers calculated the depreciated value of other site improvements to be \$105,500, rounded to \$106,000. Based on the foregoing, the appraisers estimated a market value for the subject of \$5,689,358, rounded to \$5,700,000, under the cost approach.

Under the sales comparison approach, the appraisers examined five comparable sales located in Waukegan, Gurnee, and Libertyville. The comparables are improved with single-tenant industrial buildings ranging in size from 109,888 to 363,027 square feet of gross building area. The buildings consist of 2% to 25% office area and have warehouse areas with 18 to 30 foot ceiling clearance, 7

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to 26 docks, and 1 to 6 drive-in doors. The buildings range in age from 11 to 28 years old, with comparable #1 having additions constructed in 1998 and 2007 and comparable #2 having been renovated in 2002. The parcels range in size from 267,146 to 1,630,234 square feet, or 6.13 to 37.43 acres, of land area with land-to-building ratios from 1.80:1 to 4.49:1. The comparables sold from July 2015¹ to April 2017 for prices ranging from \$2,967,500 to \$10,075,000 or from \$27.00 to \$54.08 per square foot of gross building area, including land. The appraisers made adjustments to these comparables for property rights, sale date, and differences from the subject, such as location, building size, construction/utility, and age/condition, resulting in adjusted sale prices ranging from \$32.41 to \$45.76 per square foot of gross building area, including land. Based on the foregoing, the appraisers opined the subject had a market value of \$5,679,062, or \$38.00 per square foot of gross building area, including land, rounded to \$5,700,000, under the sales comparison approach.

Under the income approach, the appraisers examined seven lease comparables located in Waukegan, Antioch, Gurnee, and Lincolnshire. The comparables range in size from 74,200 to 223,760 square feet of leased area and have rents ranging from \$1.77 to \$5.33 per square foot of leased area or gross equivalency rents ranging from \$3.00 to \$7.28 per square foot of leased area. The appraisers explained that a gross equivalency rental rate assumes a net lease but excludes real estate taxes. Giving the most weight to lease comparables #4 and #5, the appraisers concluded the potential gross rental income for the subject was \$896,694, or \$6.00 per square foot of leased building area. Utilizing the 3.9% vacancy rate from CBRE's 4th Quarter 2017 industrial report and the 7.72% vacancy rate from Colliers International year end 2017 report for the Lake County sub-market, where the subject is located, the appraisers estimated an 8% vacancy rate, or \$71,736, which resulted in an effective gross income of \$824,958. The appraisers subtracted expenses of \$156,780, which did not include real estate taxes, to calculate a net operating income of \$668,178. Based on a loaded capitalization rate of 11.06% (derived from a base rate of 7.50% plus an effective tax rate of 3.56%), the appraisers opined the subject had a market value of \$6,041,393, rounded to \$6,000,000, under the income approach.

Considering the three approaches to value, the appraisers gave the most weight to the sales comparison approach, with secondary weight given to the income approach, to opine the subject had a market value of \$5,800,000 as of January 1, 2018.

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

The board of review submitted eleven sets of its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$2,660,754. The subject's assessment reflects a market value of \$7,992,652 or \$53.48 per square foot of gross building area, land included, when using the 2020 three year average median level of assessment for Lake County of 33.29% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted a brief contending that the appellant's appraisal is dated, stating a value conclusion as of January 1, 2018 for a 2020 tax year appeal.

¹ The appraisers noted in the appraisal report that the July 2015 sale was dated.

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With regard to the cost approach presented in the appraisal, the board of review questioned the appraisers' value conclusion regarding the subject's land. In support of this argument, the board of review presented four comparable industrial land sales located in Waukegan, Antioch, Grayslake, and Green Oaks. The parcels range in size from 348,480 to 730,501 square feet, or 8.00 to 16.77 acres, of land area. These comparables sold from February 2017 to June 2019 for prices ranging from \$1,380,615 to \$3,079,000 or from \$2.47 to \$8.84 per square foot of land area. The board of review contended that its land comparables #2 and #4, which sold in 2017, are close in proximity to the subject and similarly sized to the subject but were not used by the appraisers. The board of review also questioned the appraisers' classification of the subject as a Class C building.

With regard to the sales comparison approach presented in the appraisal, the board of review questioned the appraisers' value conclusion regarding the subject. In support of this argument, the board of review presented five comparables sales located in Waukegan, Antioch, Libertyville, and Lake Zurich. The comparables are improved with single-tenant or multi-tenant industrial buildings of reinforced concrete, steel, or metal exterior construction ranging in size from 101,421 to 251,961 square feet of gross building area. One building consists of 2.8% office area. The buildings each have warehouse areas with 23 to 30 foot ceiling clearance, 10 to 28 docks, and 1 or 2 drive-in doors. The buildings range in age from 4 to 53 years old. The parcels range in size from 284,882 to 1,116,007 square feet, or 2.81 to 5.11 acres, of land area with land-to-building ratios from 2.40:1 to 5.11:1. The comparables sold from April 2018 to March 2021 for prices ranging from \$6,500,000 to \$13,825,000 or from \$42.26 to \$83.81 per square foot of gross building area. The board of review also asserted that appraisal comparable #1 sold again in March 2020 and appraisal comparable #4 sold again in December 2018, which sale was not disclosed in the appraisal report.

With regard to the income approach presented in the appraisal, the board of review disputed the appraisers' value conclusion. In support of this argument, the board of review presented five lease comparables located in Libertyville, Gurnee, and Lake Bluff. These comparables range in size from 109,863 to 190,623 square feet of leased area and have effective rents ranging from \$4.50 to \$5.97 per square foot of leased area. The board of review disagreed with the appraisers' use of gross equivalency rents, which the board of review contended is not supported by the local market, as evidenced by the board of review's lease comparables which are all triple net leases. The board of review also questioned the vacancy and capitalization rates selected by the appraisers. Based on a Costar range of 4.25% to 8.7% for industrial properties in Lake County, the board of review concluded the vacancy rate should be 7%, and based on a Costar range of 7.0% to 7.3% for industrial properties in Lake County, the board of review concluded the base capitalization rate should be 7.25% and calculated the loaded capitalization rate at 10.71%. The board of review opined the market value of the subject was \$7,112,126 under the income approach.

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

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be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant presented an appraisal and the board of review presented five comparables sales in support of their respective positions before the Board. The Board gives less weight to the value conclusion contained in the appraisal, which opines a market value for the subject as of January 1, 2018, two years prior to the January 1, 2020 assessment at issue in this appeal. For the cost and sales comparison approaches, the appraisers relied on sales occurring from 2015 to 2017. The appraisers admitted in the appraisal report that the 2015 sale presented under the sales comparison approach was dated.

Moreover, several of the appraisers' selections are not supported in the appraisal report. For the income approach, the appraisers selected a vacancy rate higher than the published rates disclosed in the appraisal. For the cost approach, the appraisers used the market extraction method to calculate accrued depreciation, which they explained is a reliable method when the comparables are directly comparable to the subject; however, two of their three comparables used to calculate accrued depreciation are the two properties they determined to be the least similar to the subject under the sales comparison approach.

Based on the foregoing, the Board finds the appraisal does not present a credible value conclusion as of the January 1, 2020 assessment date and the Board will instead consider the raw sales data presented by the parties.

The record contains a total of ten comparable sales for the Board's consideration. The Board gives less weight to the appraisal comparables which sold less proximate in time to the January 1, 2020 assessment date than other comparables in this record. The Board gives less weight to the board of review's comparables #1 and #2, due to significant differences from the subject in building size and/or site size.

The Board finds the best evidence of market value to be the board of review's comparables #3, #4, and #5, which are relatively similar to the subject in building size and site size and sold more proximate in time to the January 1, 2020 assessment date. These comparables sold from April 2018 to October 2020 for prices ranging from \$6,500,000 to \$8,500,000 or from \$42.26 to \$83.81 per square foot of living area, including land. The subject's total assessment reflects a market value of \$7,992,652 or \$53.48 per square foot of building area, including land, which falls within the range established by the best comparable sales in the record. Based on this evidence the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	NTN Elgin Corporation
DOCKET NUMBER:	19-02365.001-I-3
DATE DECIDED:	December 2022
COUNTY:	Kane
RESULT:	No Change

The subject property consists of a single-tenant industrial manufacturing building of brick, concrete block, and steel siding exterior construction with 48,279 square feet of gross building area. The building was constructed in 1987. Features of the building include 18 foot ceiling height and a small office. The property has an approximately 107,158 square foot, or 2.46 acre, site with a land-to-building ratio of 2.22:1 and is located in Elgin, Dundee Township, Kane 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 \$1,200,000 as of January 1, 2019. The appraisal was prepared by Joseph J. Calvanico, MAI, a certified general real estate appraiser, and Jody R. Nord, trainee, for ad valorem tax purposes.

The appraisers stated the subject building is in poor condition for its age and identified numerous deferred maintenance items for the subject property, including replacement of the roof, office space renovation, mold removal, lighting replacement, and parking lot repairs, totaling approximately \$800,000.

Under the sales comparison approach, the appraisers examined five comparable sales located in Elgin, Carpentersville, and St. Charles. The parcels range in size from 83,635 to 206,474 square feet of land area and are improved with industrial buildings ranging in size from 30,864 to 85,705 square feet of gross building area. The comparables have land-to-building ratios from 2.29:1 to 4.11:1. The buildings were built from 1982 to 1999¹ with comparable #2 reported to have been renovated in 2000 and comparable #4 reported to have been renovated in 2018. The buildings feature 16 to 24 foot ceiling heights. These properties sold from April 2016 to March 2018 for prices ranging from \$1,400,000 to \$3,000,000 or from \$35.00 to \$55.71 per square foot of gross building area, including land. The appraisers made downward adjustments ranging from 51% to 69% to these comparables for “mold remediation” to arrive at adjusted sale prices ranging from \$17.10 to \$17.27 per square foot of gross building area, including land. Based on the foregoing, the appraisers estimated a value for the subject property of \$1,200,000 or \$24.86 per square foot of gross building area, including land, under the sales comparison approach

Under the income approach, the appraisers examined five rent comparables located in Elgin and improved with industrial buildings ranging in size from 36,595 to 57,695 square feet of gross building area. The comparables have rents ranging from \$3.22 to \$4.82 per square foot of gross building area on a triple net lease basis with an average rent of \$4.48 per square foot of gross

¹ The parties differ regarding the age of comparable #2, which is a common comparable to both parties. The Board finds the best evidence of age is found in the grid analysis presented by the board of review, which describes a year built of 1988. Although the appraisers described a year built of 2000, they also mentioned a renovation of this property occurred in 2000, so it appears the renovation year was described rather than the year built.

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building area. Based on these comparables, the appraisers concluded potential gross income for the subject property of \$217,256 or \$4.50 per square foot of gross building area.

The appraisers estimated a vacancy rate of 35% or \$76,039 based on assumptions contained in Collier's International regarding the minimum number of days to secure a tenant. After deducting for vacancy, the appraisers arrived at effective gross income of \$141,216. The appraisers estimated expenses of \$14,672, including management fees, reserves, and expenses paid by the owner while the property is vacant, and calculated net operating income of \$96,123.

The appraisers computed a capitalization rate using the direct capitalization method. The appraisers derived rates from the sales comparables ranging from 7.13% to 11.35% and examined investor surveys for national and regional industrial properties with rates ranging from 4.00% to 8.80%. The appraisers concluded a capitalization rate of 9.00% for the subject property given its poor condition compared to investment grade properties. Based on the foregoing, the appraisers estimated a value for the subject property of \$1,092,312 (rounded to \$1,100,000) under the income approach.

The appraisers did not apply the cost approach due to the condition of the subject property resulting from deferred maintenance and some obsolescence in design. In reconciling the sales comparison and income approaches, the appraisers gave the most weight to the sales comparison approach as a more likely indicator of value given the improvements to the subject property that would be needed before it could be leased. The appraisers opined a market value for the subject of \$1,200,000 as of January 1, 2019.

The appellant also submitted a brief contending that the subject property has had few updates since construction and has a number of deferred maintenance items described in the appraisal report that were considered in the appraisers' value conclusion.

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

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$746,989. The subject's assessment reflects a market value of \$2,243,210 or \$46.46 per square foot of gross building area, land included, when using the 2019 three year average median level of assessment for Kane County of 33.30% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted a letter from the township assessor contending that the appraisers should not have considered the subject's deferred maintenance in reaching their value conclusion. The township assessor also provided ten comparable sales and an income statement with six rent comparables.

These ten comparable sales are located in Elgin, Carpentersville, and St. Charles. Comparables #2 and #3 are the same properties as appraisal sales #2 and #3. The parcels range in size from 35,283 to 352,836 square feet of land area and are improved with industrial buildings ranging in size from 23,947 to 56,628 square feet of gross building area. Five comparables have land-to-building ratios ranging from 2.2:1 to 4.0:1. Nine of the buildings were constructed from 1978 to

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2001. These comparables sold from May 2017 to July 2020 for prices ranging from \$1,465,000 to \$4,000,000 or from \$50.00 to \$80.00 square feet of gross building area, including land. It was disclosed that comparables #1 and #3 were part of multi-parcel sales and comparable #10 was sold to its tenant.

The rent comparables are located in Elgin and West Dundee and are improved with industrial buildings ranging in size from 22,448 to 41,035 square feet of gross building area. Three of these properties have starting rents ranging from \$4.65 to \$5.30 per square foot of gross building area on a triple net lease basis and one property has starting rent of \$6.25 per square foot of gross building area on a net lease basis. Two comparables are listed for \$5.25 and \$5.50 on a triple net lease basis. Based on these comparables, the township assessor calculated potential gross income for the subject of \$241,395 or \$5.00 per square foot of gross building area.

The township assessor deducted a vacancy rate of 5% or \$12,070 and expenses of \$34,399, consisting of management fees and reserves, to arrive at net operating income of \$194,926. The township assessor computed on a capitalization rate of 8.00% under the direct capitalization method based on a regional warehouse investor survey disclosing current rates ranging from 4.00% to 6.00%. Based on the foregoing, the township assessor opined a value of \$2,436,578 (rounded to \$2,440,000) for the subject property.

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

The record contains an appraisal presented by the appellant and ten comparable sales and an income statement presented by the board of review. The Board gives less weight to the value conclusion contained in the appraisal and the value conclusion presented in the income statement prepared by the township assessor.

The appraisal relies primarily on the sales comparison approach. Under the sales comparison approach, the appraisers failed to make adjustments to the comparables for differences from the subject, such as building size, age, and site size, despite three comparables being smaller buildings and one comparable being a significantly larger building than the subject; three comparables having newer construction ages than the subject and/or updating unlike the subject; and two comparables having substantially larger sites than the subject. The appraisers also failed to provide any information regarding the condition of these comparables, but made extraordinary adjustments for "mold remediation" ranging from 51% to 69%, which dramatically reduced the sale prices of these comparables. Moreover, three comparables sold in 2016 and 2017, which is less proximate in time to the January 1, 2019 assessment date than other comparables in this record. Under the income approach, the appraisers made no adjustments to the rent comparables for differences from

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the subject and failed to support or explain their calculations of the vacancy rate and expenses. Based on the foregoing deficiencies, the Board finds the value conclusion contained in the appraisal to be a less credible and/or reliable indication of the subject's value as of the January 1, 2019 assessment date.

The income statement is insufficient as an appraisal and the preparer's qualifications were not disclosed. The township assessor presented rent comparables with different lease terms without any adjustments to these comparables for these differences or for other differences from the subject. The township assessor summarily concluded a vacancy rate and expenses without any support or explanation and computed a capitalization rate, which is higher than the rates presented, without support or explanation.

Consequently, the Board will instead consider the raw sales data presented in the appraisal and by the board of review. The record contains a total of thirteen comparable sales, with two common sales, for the Board's consideration. The Board gives less weight to the board of review's comparable #1 and the board of review's comparable #3/appraisal sale #3, due to their multi-parcel sales, and the board of review's comparable #10, due to its sale to a tenant, which makes them less reliable indicators of the subject's market value.

The Board gives less weight to appraisal sale #4, appraisal sale #2/board of review's comparable #2, and the board of review's comparables #4, #6, #7, and #9, due to substantial differences from the subject in building size, age, and/or site size.

The Board finds the best evidence of market value to be appraisal sales #1 and #5, and the board of review's comparable #5 and #8, which have varying degrees of similarity to the subject, but are more similar to the subject in building size and age than other comparables in this record. These most similar comparables sold for prices ranging from \$1,400,000 to \$2,700,000 or from \$39.76 to \$68.50 per square foot of gross building area, including land. The subject's assessment reflects a market value of \$2,243,210 or \$46.46 per square foot of living area, including land, which is within the range established by the best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds a reduction in the subject's assessment is not justified.

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APPELLANT:	Ozinga Ready Mix Concrete, Inc.
DOCKET NUMBER:	19-06955.001-I-2 thru 19-06955.002-I-2
DATE DECIDED:	June 2022
COUNTY:	Lake
RESULT:	Reduction

The subject property consists of an industrial facility operated as a concrete batch plant. The subject's improvements include a 9,120 square foot metal warehouse, a 1,400 square foot metal warehouse, an 1,800 square foot wood framed office and a 3,362 square foot batch plant. The buildings were constructed in 1972 and 1973. The property has a 413,384 square foot site and is located in North Chicago, Shields 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 \$600,000 as of January 1, 2019. The appellant's appraisers observed, during the time of inspection, that the subject's improvements were in below average condition for their age and noted the property has some deferred maintenance with little upgrades since initial construction. The appraisers opined that the improvements would likely be demolished if the property sold. The appraisers utilized all three of the traditional approaches in valuing the subject.

Under the cost approach, the appellant's appraisers calculated a site value for the subject of \$700,000. The appraisers then calculated a cost-new of the subject's improvements of \$454,303, then added \$22,715 for soft costs, to arrive at a total replacement cost-new of \$477,018. The appraisers then subtracted 90% of the replacement cost-new, or \$408,873, for depreciation to arrive at an indicated value for the subject by the cost approach of \$770,000, rounded.

Under the sales comparison approach, the appraisers selected five comparable properties that are located in Des Plaines, Woodstock, Volo, Wauconda and Chicago. The comparables have sites ranging in size from 75,359 to 452,588 square feet of land area. Four of the comparables are improved with industrial buildings ranging in size from 16,800 to 78,200 square feet of building area. The buildings were constructed between 1970 and 2010. The improved comparables have sale dates ranging from July 2015 to February 2019 and sold for prices ranging from \$950,000 to \$4,227,000 or from \$50.23 to \$87.80 per square foot of building area, including land. The appellant's appraisal sale #3, which is located in Lake County, is a similar concrete batch plant as the subject but all the improvements are assessed as personal property. This comparable sold in April 2019 for \$350,000. After adjusting the improved comparables' sale prices for market trends, location, building size, quality and condition, when compared to the subject, the appraisers estimated the comparables would have adjusted unit sale prices ranging from \$39.73 to \$59.61 per square foot of building area, including land. Based on the adjusted unit sale prices, the appraisers estimated that the subject would have a value of \$50.00 per square foot of building area, including land, or \$620,000, rounded.

Under the income approach, the appraisers selected five comparable rental properties that are located in Lake Bluff, North Chicago, Elk Grove, Bensenville and Wheeling. The comparables have buildings ranging in size from 4,788 to 44,000 square feet of building area that were

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constructed between 1970 and 1988. The comparables have asking rents ranging from \$3.50 to \$7.92 per square foot of building area. After adjusting the comparables' rent for their superior condition, the appraisers arrived at an estimated market rent for the subject of \$4.00 per square foot of building area or a total potential gross income of \$49,280. The appraisers then subtracted \$2,464 for vacancy loss to arrive at an effective gross income of \$46,816. The appraisers subtracted \$3,277.12 for total operating expenses to arrive at a net operating income of \$43,539, rounded, which was capitalized at a rate of 7.00%, for an estimated market value for the subject under the income approach of \$600,000, rounded.

In reconciliation, the appraisers placed most weight on the sales comparison and the income approaches to value, as a likely buyer for the subject would consider these approaches most important, and estimated the subject property has a market value of \$600,000 as of January 1, 2019.

Based on this evidence, the appellant requested that the subject's total assessment be reduced to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total combined assessment for the subject consisting of two parcels of \$318,401. The subject's assessment reflects a market value of \$968,078 or \$78.58 per square foot of building area, land included, when using 12,320 square feet of building area and when applying the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue.

In response to the appellant's complaint, the board of review submitted a brief critiquing the appellant's appraisal, information on four suggested comparable sales, a lease for the subject property and documentation of a \$5,000,000 mortgage for a property that is not the subject. The four comparables are located in Highland Park, Gurnee or and Green Oaks. The comparables have sites ranging in size from 107,593 to 348,480 square feet of land area and sold from June 2010 to November 2020 for prices ranging from \$958,630 to \$4,800,000 or from \$3.27 to \$29.86 per square foot of land area.

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

The appellant's counsel submitted rebuttal critiquing the board of review's submission. The appellant's counsel argued the board of review submitted two comparables that sold in 2010 and 2012, which are not relevant to the current 2019 appeal. In addition, comparable #1 was purchased as a commercial redevelopment, now consists of a new CVS drug store, and is situated amongst a Chase Bank and a Starbucks. Comparable #2 was, and is, an Audi dealership. Comparable #3 was purchased with the intention of constructing a headquarters for a logistics company. Comparable #4 was acquired to build a 160,000 square foot industrial warehouse. Counsel asserted none of the board of review comparables have a similar use as the subject and would require adjustments for the major differences in use.

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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 to be the appraisal submitted by the appellant estimating the subject property had a market value of \$600,000 as of January 1, 2019. The subject's assessment reflects a market value of \$968,078 or \$78.58 per square foot of building area, including land, which is above the appraised value. The appellant's appraisers selected appropriate sale and lease comparables and made reasonable adjustments to the comparables to account for their differences from the subject property. The Board gave less weight to the board of review's comparables due to their sale date occurring greater than 6 years prior to the January 1, 2019 assessment date at issue and/or their differences in land use, when compared to the subject. The Board also gives less weight to the subject's actual lease, submitted by the board of review, as this evidence does not overcome the market derived income approach within the appellant's appraisal. Finally, the Board gives no weight to the \$5,000,000 mortgage, submitted by the board of review, as the mortgage is for a property that is not the subject. Based on this record, the Board finds a reduction to the subject's assessment commensurate with the appellant's request is appropriate.

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APPELLANT:	<u>S&M Real Estate Holdings (Steve Schweinsberg)</u>
DOCKET NUMBER:	<u>19-04957.001-I-1</u>
DATE DECIDED:	<u>May 2022</u>
COUNTY:	<u>Lake</u>
RESULT:	<u>No Change</u>

The subject property consists of an industrial building, with an office, and a garage that total 8,560 square feet of building area. The buildings were constructed in 1970 or 1974. The subject property is used as a waste disposal and hauling business. The property has a 39,596 square foot site, with a land-to-building ratio of 4.63, and is located in Lake Barrington, Cuba 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 that are located in McHenry County. The comparables have sites ranging in size from 23,086 to 57,064 square feet of land area that are improved with industrial buildings ranging in size from 7,650 to 14,750 square feet of building area. The comparables have land-to-building ratios ranging from 2.99 to 4.45. The comparables sold from March 2018 to March 2019 for prices ranging from \$435,000 to \$735,000 or from \$40.92 to \$56.86 per square foot of building area, including land. The appellant's submission included a brief claiming there were no comparable industrial building sales located within Lake County. 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 \$173,373. The subject's assessment reflects a market value of \$527,130 or \$61.58 per square foot of building area, land included, when using the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales that are located in Lake County. The comparables have sites ranging in size from 27,443 to 87,120 square feet of land area that are improved with industrial buildings ranging in size from 8,843 to 16,500 square feet of building area. The comparables have land-to-building ratios ranging from 2.43 to 7.53. The comparables sold from June 2017 to July 2019 for prices ranging from \$620,000 to \$1,100,000 or from \$66.67 to \$84.31 per square foot of building area, including land. The board of review submitted a brief arguing the appellant's comparables are not located in Lake County, like the subject. In addition, the subject property was the subject matter of an appeal before the Property Tax Appeal Board the prior year under Docket Number 18-02420.001-I-1. In that appeal the Property Tax Appeal Board issued a decision lowering the assessment of the subject property to \$168,320 based on the evidence submitted by the parties. 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

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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 a total of seven comparable sales for the Board's consideration. The Board gives less weight to the appellant's comparables due to their locations outside of Lake County. The Board also gives less weight to the board of review's comparables #1 and #4, due to their sale date occurring greater than 18 months prior to the January 1, 2019 assessment date at issue or their significantly larger building size, when compared to the subject. The Board finds the board of review's remaining comparables are similar to the subject in many aspects and also sold proximate in time to the January 1, 2019 assessment date at issue. The best comparables sold in November 2018 and July 2019 for prices of \$767,000 and \$620,000 or \$68.18 and \$70.11 per square foot of building area, including land, respectively. The subject's assessment reflects a market value of \$527,130 or \$61.58 per square foot of building area, including land, which falls below the market values of the best comparable sales in the record. After considering adjustments to the best comparables for differences when compared to the subject, the Board finds the subject's estimated market value as reflected by its assessment is supported. Based on this evidence the Board finds a reduction in the subject's assessment is not justified.

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(25 copies - 12/23) PO#2240084