



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

APPELLANT: Erickson Investments, LLC
DOCKET NO.: 14-01724.001-R-1
PARCEL NO.: 07-25-476-019

The parties of record before the Property Tax Appeal Board are Erickson Investments, LLC, the appellant, by attorney James E. Tuneberg, of Guyer & Enichen, in Rockford, and the Winnebago County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds A Reduction in the assessment of the property as established by the **Winnebago** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$2,900
IMPR.: \$17,933
TOTAL: \$20,833

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Winnebago County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2014 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a split-level single-family dwelling of frame exterior construction with 1,976 square feet of living area. The dwelling was constructed in 1972. Features of the home include an attached one-car garage of 288 square feet of building area. The property has a 10,160 square foot site and is located in Machesney Park, Harlem Township, Winnebago County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a brief along with a chart with limited information on five comparable sales located within three blocks of the subject property. The comparables consist of bi-level dwellings that were built between 1970 and 1978. The homes range in size from 1,514 to 2,210 square feet of living area. No other descriptive details or amenities were reported in the grid analysis. In the brief, counsel reported that appellant's comparables #1, #2, #4 and #5 each had

two-car detached garages. The properties sold between July 2012 and October 2013 for prices ranging from \$42,128 to \$92,000 or from \$26.62 to \$41.63 per square foot of living area, including land.

As part of the brief, counsel reported that there is a dispute about "acceptable evidence." Reportedly, the township assessor contends that "only sales which qualify for the sale[s] ratio study are 'valid' sales." Whereas the appellant contends that such "valid" sales are also the highest priced properties which distorts the reality of the true market where, such as the subject's area, there is a high percentage of distressed sales.

Based on this evidence and argument, the appellant requested a total assessment of \$20,833 which would reflect a market value of approximately \$62,500 or \$31.63 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 \$27,420. The subject's assessment reflects a market value of \$82,268 or \$41.63 per square foot of living area, land included, when using the 2014 three year average median level of assessment for Winnebago County of 33.33% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted data gathered by the township assessor. As to the appellant's comparables, the township assessor asserted that only sale #1 was a valid comparable sales and the remaining comparables were "bad" sales as two bank REOs, a short sale and an estate sale, respectively. The assessor also made note that transfers were by Special Warranty Deed and Executor's Deed for comparables #2, #3 and #5, respectively.

In support of its contention of the correct assessment the board of review through the township assessor submitted information on three comparable sales located in Machesney Park, Loves Park and Roscoe, respectively, where sale #1 is the same property as appellant's sale #1. The three comparables consist of bi-level frame dwellings that were built between 1975 and 1997. The homes range in size from 1,822 to 2,210 square feet of living area. One comparable has 664 square feet of basement area and another comparable has 407 square feet of finished basement area. Two of the comparables have garages of 456 and 576 square feet of building area. The properties sold between October 2013 and July 2014 for prices ranging from \$90,000 to \$115,000 or from \$41.63 to \$56.65 per square foot of living area, including land.

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

In written rebuttal, counsel for the appellant contended that board of review comparables #2 and #3 were located 2.33 and 5.51-miles from the subject property, respectively. Each of these comparables were also newer than the subject dwelling.

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 a total of seven comparable sales to support their respective positions before the Property Tax Appeal Board, with one common property between the parties. The Board has given reduced weight to board of review comparables #2 and #3 as these properties are located distant from the subject property and also have features not present at the subject property such as a basement and a finished basement area.

As to the contention that all but appellant's comparable sale were "invalid" sales, the Board takes judicial notice of Section 1-23 of the Code defines compulsory sale as:

"Compulsory sale" means (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete. 35 ILCS 200/1-23.

Section 16-183 of the Code provides that the Property Tax Appeal Board is to consider compulsory sales in determining the correct assessment of a property under appeal stating:

Compulsory sales. The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer. 35 ILCS 200/16-183.

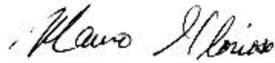
Based on these statutes, the Property Tax Appeal Board finds it is appropriate to consider the appellant's "bank REO" and "short sale" properties. Furthermore, the board of review did not establish why the "estate sale" would not be a valid arm's length transaction as there was no evidence that the property had not been listed on the open market for a reasonable period of time or some similar reason to disqualify the property.

On this record, however, the Board has given reduced weight to appellant's comparable sales #4 and #5 as these properties sold in July and August 2012, dates more remote in time to the valuation date at issue and thus less likely to be indicative of the subject's estimated market value as of January 1, 2014.

On this record, the Board finds the best evidence of market value to be appellant's comparable sales #1, #2 and #3. These most similar comparables sold for prices ranging from \$42,128 to \$92,000 or from \$27.83 to \$41.63 per square foot of living area, including land. The subject's assessment reflects a market value of \$82,268 or \$41.63 per square foot of living area, including land, which is within the range established by the best comparable sales in this record, but appears to be excessive when considering the differences between the subject and the highest priced comparable property which has a larger garage, a wood burning fireplace and more

concrete paving than the subject property. Based on this evidence the Board finds a reduction in the subject's assessment is warranted commensurate with the appellant's request.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member



Acting Member

DISSENTING: _____

CERTIFICATION

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: August 19, 2016



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of

the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.