

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Elba M. Bagsby  
DOCKET NO.: 06-00015.001-R-1  
PARCEL NO.: 20-09-02-152-015

The parties of record before the Property Tax Appeal Board are Elba M. Bagsby, the appellant, and the Champaign County Board of Review.

The subject property has been improved with two separate frame dwellings on one parcel. One one and one-half story dwelling is 67 years old containing 1,092 square feet of living area and one one-story dwelling is 58 years old containing 672 square feet of living area. According to the property record cards, each dwelling has central air conditioning. The property is located in Rantoul, Rantoul Township, Illinois.

The appellant appeared before the Property Tax Appeal Board arguing that the fair market value of the subject was not accurately reflected in its assessed value. Appellant reported that the subject property was purchased in October 1995 for \$20,000. Appellant testified that the reason for the appeal was a significant one-year increase in property taxes. Appellant further testified these dwellings are rented to tenants on fixed income and she found herself unable to raise the rents sufficiently to cover the property taxes. She further testified that there is no garage on the parcel.

The basis for the appeal is comparable sales. In support of that argument, appellant prepared a grid analysis of four suggested comparable properties located within eleven blocks of the subject. Each of the comparable properties was improved with a single one-story frame dwelling ranging in age from 45 to 47 years old. The dwellings ranged in size from 766 to 1,130 square feet of living area. One comparable featured central air conditioning and one featured a one and one-half car garage. The comparables sold from March to September 2005 for prices ranging from \$29,000 to \$42,200 or from \$27.43 to \$38.36 per square foot of living area including land. The subject's equalized assessed total value of \$24,630 reflects an estimated market value of approximately \$74,209 or \$42.07 per square foot of total living area of the two dwellings totaling 1,764 square feet including

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Champaign County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$ 3,420  
IMPR.: \$ 20,290  
TOTAL: \$ 23,710

Subject only to the State multiplier as applicable.

land based upon the three-year median level of assessments in 2006 for Champaign County of 33.19%. Based on these comparisons, the appellant felt that an estimated fair market value of approximately \$50,226 was supported for the subject property.

On cross-examination, appellant testified that she would accept \$50,000 to sell the subject property; her efforts to sell are only word-of-mouth at this time. Subsequent to the purchase in 1995, appellant did some interior upgrading of a bathroom, gutting a utility room, and putting on new roofs. Appellant further acknowledged that the dwellings were in average condition.

The Board of review presented its "Board of Review Notes on Appeal" wherein the subject's final equalized assessed value of \$24,630 was disclosed. According to property record cards on the subject, there is one frame garage of 160 square feet of building area for which the subject is being assessed in addition to the two dwellings previously described. However, in the data submitted, the board of review did not contend that the subject included a garage.

In support of the current assessment, the board of review presented an explanatory letter along with two separate grid analyses. In the letter, the board of review addressed the appellant's comparable sales noting comparable #1, #2 and #4 were sold in "as is" condition, sales #1 and #2 were HUD sales, and comparable #3 was noted as a "fixer upper that needs T.L.C." Based on this information, the board of review contended that the appellant's chosen comparables were not similar to the subject property in condition and represented distress sales. However, in response to the Hearing Officer's question, the board of review representative acknowledged that these were arm's length transactions. Moreover, in further answer to the Hearing Officer's questions, the board of review representative did not have property record cards and therefore had no information on the condition rating of the appellant's comparables as maintained by the assessor.

As the board representative explained, because the board of review could find no comparables with two dwellings on one parcel, the board of review presented two comparable sales grids: one grid analyzed sales similar to the one and one-half story dwelling and one grid analyzed sales similar to the one-story dwelling. As to the subject one and one-half story dwelling of 1,092 square feet which was 67 years old, the board of review presented four suggested comparable properties located within three blocks of the subject consisting of one-story frame dwellings ranging in age from 57 to 67 years old. The dwellings range in size from 788 to 1,241 square feet of living area. One features a partial finished basement and three have central air conditioning. Each comparable has a one or two-car garage. The comparables sold from April 2005 to November 2006 for prices ranging from \$60,000 to \$74,000 or from \$57.29 to \$96.91 per square foot of living area including land. As to the subject

one-story dwelling of 672 square feet which is 58 years old, the board of review presented four comparables all said to be six blocks from the subject consisting of one-story frame dwellings ranging in age from 45 to 57 years old. The dwellings each consist of 725 square feet of living area and two have central air conditioning and three have one-car garages. These comparables sold between March 2006 and October 2006 for prices ranging from \$42,900 to \$55,900 or from \$59.17 to \$77.10 per square foot of living area including land.

Based on its market analysis, the board of review contended that the current assessment did not reflect an overvaluation of the subject and therefore the board of review requested confirmation of the subject's current equalized assessment.

After hearing the testimony and reviewing the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

When overvaluation is claimed, the appellant has the burden of proving the value of the property by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2<sup>nd</sup> Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3<sup>rd</sup> Dist. 2002); *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.63(e). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. *Official Rules of the Property Tax Appeal Board*, 86 Ill. Admin. Code Sec. 1910.65(c). The Board finds the appellant has not overcome this burden.

The record disclosed that the subject had a final equalized assessment of \$24,630. The subject's assessment reflects a market value of approximately \$74,209 or \$42.07 per square foot of total living area of the two dwellings totaling 1,764 including land using the 2006 three-year median level of assessments in Champaign County of 33.19%. Appellant testified that she would be willing to sell the property for \$50,000, but it was not currently listed with a realtor for that price and was only currently being marketed by word-of-mouth. Fair cash value is normally associated with fair market value, i.e. what the property would bring at a voluntary sale where the owner is ready, willing and able to sell, but not compelled to do so, and the buyer is likewise ready, willing and able to buy, but not forced to do so. See, e.g., People ex rel. McGaughey v. Wilson, 367 Ill. 494, 12 N.E.2d 5 (1937). Illinois courts have consistently held that "a contemporaneous sale between parties dealing at arm's length is not only relevant to the question of fair cash market value but would be practically conclusive on the issue of whether an assessment was at full value." Residential Real Estate Co. v. Illinois Property Tax Appeal Board, 188 Ill.App.3d 232, 241, 543 N.E.2d 1358 (1989). Where the property has not been listed for sale, with a realtor, on the open market

for the price of \$50,000, the Board finds the appellant's evidence of a word-of-mouth offering to be insufficient evidence of overvaluation.

In examining the sales comparables, the Board finds that neither party submitted comparables which were truly similar to the subject because of its unique two-dwellings-on-one-parcel character. Both parties presented a total of twelve sales comparables. Given total living area square footage of 1,764 square feet, appellant's comparables were all significantly smaller than the subject and were also all much newer than the subject dwellings. In the two grids presented by the board of review, while the comparables were more similar to their respective subjects in size and age, the sale price of a single dwelling with land cannot truly be compared to the sale of two dwellings and land. As a result, none of the comparables was truly similar to the subject property with this unique characteristic to establish by a preponderance of the evidence that the subject property was overvalued. The Board finds there is insufficient evidence to demonstrate that the subject's assessment is excessive in relation to its market value.

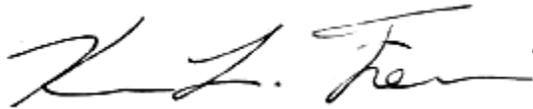
The Property Tax Appeal Board finds the evidence submitted by the appellant in the form of the subject's property record card discloses that the subject property was being assessed as having a 160 square foot frame garage that was valued at \$2,797 resulting in an assessment of approximately \$880 and with an equalization factor of 1.0440, an equalized assessed value of \$920, rounded. Unrefuted testimony from the appellant was that the subject property had no such garage. Moreover, the board of review's two grid analyses concerning the subject dwellings indicated there was no garage accompanying either dwelling. Therefore, the Property Tax Appeal Board finds the subject improvement assessment should be reduced to reflect that the property is not improved with a garage.

In summary and as a result of this analysis, the Property Tax Appeal Board finds a reduction is warranted.

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.



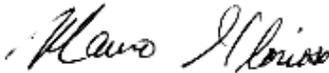
Chairman



Member

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Member



Member



Member

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

C E R T I F I C A T I O N

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

Date: December 19, 2008



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.