

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Petersen Health Enterprises, LLC  
DOCKET NO.: 06-01560.001-C-2  
PARCEL NO.: 13-2-21-28-18-303-001

The parties of record before the Property Tax Appeal Board are Petersen Health Enterprises, LLC, the appellant, by Marikay L. Snyder, Corporation Counsel; the Madison County Board of Review; and Community College Dist. No. 522, intervenor, by attorney Garrett P. Hoerner of Becker, Paulson, Hoerner & Thompson, P.C., Belleville.

The subject property consists of a 1.21 acre parcel improved with a one-story brick constructed building with 30,104 square feet. The building was constructed in 1962 and is used as a nursing home. The property is located in Collinsville, Collinsville Township, Madison County.

The appellant claims overvaluation as the basis of the appeal. In support of this argument the appellant submitted evidence disclosing the subject property was purchased in July 2006 for a price of \$1,850,000. The appellant submitted a copy of an Asset Purchase Agreement disclosing the purchase price. The Asset Purchase Agreement contained an allocation of \$100,000 to the land, \$1,565,000 to the building and \$185,000 to the furniture and equipment. The record also contained a copy of a settlement statement with a similar breakdown of the amount due to the seller and a copy of the Illinois Real Estate Transfer Declaration documenting a sales price for the real property of \$1,665,000. The evidence further revealed that the appellant did not file a complaint with the board of review but filed an appeal directly to the Property Tax Appeal Board following receipt of the notice of an equalization factor increasing the assessment of the subject from \$810,800 to \$854,350. Based on this record the appellant requested the subject's assessment be reduced to \$616,700 to reflect the purchase price of \$1,850,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject property's final assessment totaling \$854,350 was disclosed. The subject's assessment reflects a

(Continued on Next Page)

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 Madison County Board of Review is warranted. The correct assessed valuation of the property is:

|        |    |         |
|--------|----|---------|
| LAND:  | \$ | 7,020   |
| IMPR.: | \$ | 803,780 |
| TOTAL: | \$ | 810,800 |

Subject only to the State multiplier as applicable.

market value of approximately \$2,537,000 using the 2006 three year median level of assessments for Madison County of 33.32%. The board of review submitted no evidence in support of its contention of the correct assessment of the subject property.

The intervenor adopted the documentation and evidence submitted by the Madison County Board of Review.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. Based upon the evidence submitted, the Board finds that a reduction in the subject's assessment is supported.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50). The Supreme Court of Illinois has construed "fair cash value" to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced to do so. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970). Additionally, a contemporaneous sale between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967). Furthermore, the sale of a property during the tax year in question is a relevant factor in considering the validity of the assessment. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369 (1<sup>st</sup> Dist. 1983).

The record contains documentation disclosing that the subject property was purchased in July 2006 for a total price of \$1,850,000, including furniture and equipment. The subject's assessment reflects a market value of approximately \$2,537,000 using the 2006 three year median level of assessments for Madison County of 33.32%, which is greater than the purchase price. The board of review and intervenor submitted no evidence in support of the assessment or calling into question the arm's length nature of the transaction or to demonstrate that the purchase price was not reflective of fair cash value. Based on this

record the Board finds the best and only evidence of market value was that presented by the appellant.

However, the record indicates that the appellant appealed the assessment directly to the Property Tax Appeal Board based on notice of an equalization factor. Since the appeal was filed after notification of an equalization factor, the amount of relief that the Property Tax Appeal Board may grant is limited. Section 1910.60(a) of the Official Rules of the Property Tax Appeal 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 (35 ILCS 200/16-180) provides in pertinent part:

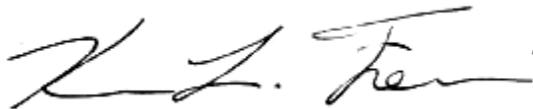
Where no complaint has been made to the board of review of the county where the property is located and the appeal is based solely on the effect of an equalization factor assigned to all property or to a class of property by the board of review, the Property Tax Appeal Board may not grant a reduction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

These provisions mean that where a taxpayer files an appeal directly to the Property Tax Appeal 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 (4<sup>th</sup> Dist. 1999). Based on a review of the evidence contained in the record, the Property Tax Appeal Board finds a reduction in the assessment of the subject property is supported. However, the reduction is limited to the increase in the assessment caused by the application of the equalization factor.

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.



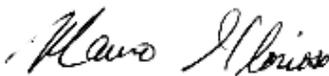
Chairman



Member



Member



Member

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: July 28, 2009



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.