



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

APPELLANT: Illinois Casualty Company  
DOCKET NO.: 06-02968.001-C-2  
PARCEL NO.: 07-35-219-001

The parties of record before the Property Tax Appeal Board are Illinois Casualty Company, the appellant, by attorney Jerry J. Pepping, of McGehee, Olson, Pepping & Balk, Ltd. in Silvis; the Rock Island County Board of Review; and the City of Rock Island, intervenor, by attorney Stuart R. Lefstein of Pappas Hubbard O'Connor Fildes Secaras P.C. in Rock Island.

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

**LAND: \$79,687**  
**IMPR.: \$715,673**  
**TOTAL: \$795,360**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 20,333 square foot parcel improved with a three-story, masonry-constructed single-occupant office building that was built in 2003. The building contains 23,568 square feet of building area and the site includes a small asphalt parking lot with nine striped spaces. An adjacent parking lot containing 65 parking spaces is not on appeal in this matter, but is owned and used by the occupants of the subject building. The subject property is located in Rock Island, Rock Island Township, Rock Island County.

A. Motion/Pleadings

As a preliminary matter, intervenor's motion and appellant's late-filed pleadings were addressed on the record, but will be summarized herein; on the day prior to hearing, intervenor filed a Motion For Default Pursuant to Section 1910.69(a), Or

Alternatively, To Bar Evidence Or For Other Relief. Appellant's counsel orally responded to the motion and intervenor orally replied.

As background information, appellant was previously represented in this matter by Attorney Dyer. On April 20, 2009, the Property Tax Appeal Board issued a letter to Mr. Dyer advising that the appellant had 30 days from the date of the letter to file rebuttal evidence, if any, pursuant to Section 1910.66 of the Board's Rules (86 Ill. Admin. Code, Sec. 1910.66). No rebuttal was submitted in accordance with that directive. Thereafter, this matter was set for hearing by a letter dated March 9, 2010 to be heard on May 19, 2010.

Purportedly on April 21, 2010 a withdrawal and substitution of counsel was submitted to the Property Tax Appeal Board by newly retained counsel for appellant, Attorney Pepping.<sup>1</sup> Said substitution was then also referenced in a letter dated May 12, 2010 with which Attorney Pepping submitted two appraisal reports for the subject property with valuation dates of January 1, 2006 and January 1, 2007.<sup>2</sup> In submitting these reports, appellant's counsel acknowledged that prior counsel presented an appraisal for this matter with a valuation date of January 1, 2005. Counsel requested that these two new appraisals be accepted and, if the late submissions necessitated a delay in hearing that was acceptable to appellant.

In response to the newly filed appraisals and on the day before hearing, intervenor, City of Rock Island, filed the motion previously referenced regarding this newly submitted evidence. Intervenor argued these appraisals were untimely filings and any questions of the appraiser seeking an opinion of value as of a date other than January 1, 2005 would be submission of new evidence. Intervenor also contended the new submissions mean the record no longer contains a timely filed appraisal challenging the assessment which then justifies entry of a default judgment. Alternatively and in the absence of issuance of a default, intervenor requested barring of the appellant's use of the late-filed appraisals as substantive evidence, subject to the ability of the intervenor to use the appraisal reports for impeachment purposes.

In response, appellant argued Sec. 1910.67(k) provides that no written or documentary evidence shall be accepted into the record at hearing unless such evidence has been submitted to the Property Tax Appeal Board prior to the hearing. Having

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<sup>1</sup> As of the issuance of this decision, the Property Tax Appeal Board has no record of this purported substitution of counsel.

<sup>2</sup> Attorney Pepping understood the instant appeal concerned both the 2006 and 2007 assessments of the property. Pursuant to Sec. 16-185 of the Property Tax Code, however, the Board only has jurisdiction over the 2006 assessment as a consequence of a favorable 2005 decision (Docket No. 05-00424.001-C-2) and timely filing of a subsequent year appeal. (35 ILCS 200/16-185).

previously filed the appraisal reports, appellant through counsel contended that default was not appropriate and instead, a continuance of the hearing was appropriate to allow time for the intervenor to review the newly submitted appraisal.

In reply and based on the newly submitted appellant appraisal with a valuation date of January 1, 2006, the intervenor argued that this filing is now a positive indication by the appraiser that the previous appraisal does not represent the appraiser's opinion for the 2006 assessment year. Therefore, intervenor contended the case should be dismissed via issuance of a default.

Having reviewed the motion and considering the arguments of the parties, the Property Tax Appeal Board finds the submission of appraisals by appellant on May 12, 2010 were untimely and inadmissible pursuant to Sections 1910.30(g) and 1910.67(k) of the Board's Rules. (86 Ill. Admin. Code, Secs. 1910.30(g) and 1910.67(k)). The Board further finds the testimony of the appraiser at hearing to an opinion of value as of January 1, 2006 would be allowable, subject to objection(s); the weight and credibility of such testimony may be impacted by the absence of a report supporting such opinion. Intervenor's request for default is denied because the appraisal with an opinion of value as of January 1, 2005 is sufficient evidence to challenge the correctness of the January 1, 2006 assessment. (86 Ill. Admin. Code, Sec. 1910.65(c)). This determination is supported where in Cook County Board of Review v. Property Tax Appeal Board, 334 Ill. App. 3d 56, 777 N.E.2d 622 (1<sup>st</sup> Dist. 2002), the court stated "[t]here is no requirement that a taxpayer must submit a particular type of proof in support of an appeal. The rule instead sets out the types of proof that *may* be submitted. . . . Whether a two-year old appraisal is 'substantive, documentary evidence' of a property's value goes to the weight of the evidence, not its admissibility. [citing Department of Transportation v. Zabel, 47 Ill. App. 3d 1049, 1052, 362 N.E.2d 687 (1977) (whether a six-month-old appraisal is sufficient to establish value is for the trier of fact to consider in weighing the evidence)]." Having found the late-filed appraisals inadmissible in this proceeding, the Board further denies the intervenor's request to utilize the late-filed appraisal(s) for impeachment purposes. Lastly, the continuance request suggested by appellant is moot in light of the inadmissibility of the late-filed appraisals.

#### B. Merits

The appellant appeared before the Property Tax Appeal Board through counsel claiming overvaluation of the subject property as the basis of the appeal. In support of this argument, the appellant submitted an appraisal of the subject property with an effective date of January 1, 2005.

The appraiser, Martin Corey, was present at the hearing and provided testimony regarding his report. Corey has been a self-

employed real estate appraiser since 1984. He is a certified general appraiser in both the States of Iowa and Illinois and also has achieved the Senior Residential Appraiser (SRA) designation. He further testified that, since preparation of this report, he has achieved the Member of the Appraisal Institute (MAI) designation.

As set forth in the summary appraisal report, Corey utilized all three traditional approaches in estimating a value for the subject of \$2,350,000 as of January 1, 2005. The purpose of the report was for use in a real estate tax appeal. Corey testified that his value opinion was based with most weight on the sales comparison approach and some weight on the cost and income approaches to value. (TR. 23)<sup>3</sup> Corey testified his opinion of value for the subject as of January 1, 2006 is \$2,400,000; the slight difference in the value estimate from 2005 to 2006 was based on his examination of a little different market evidence.

In the report, the appraiser described the subject building as being among the newest buildings in the central business district which is an older part of Rock Island where efforts were being made to rehab and/or build new in early 2006. Nearby are both new and old buildings, one of which is a new building sheltering homeless men and another new structure is used to supply mental health treatment to men; old buildings included a 1950's post office which was nearly vacant. As set forth on page 9 of the report, the appraiser determined downtown Rock Island has experienced an exodus of businesses to outlying areas and a declining population, similar to that experienced by nearby Moline, Illinois and Davenport, Iowa. Corey testified he did not see a problem with safety in the subject's area. The appraiser also noted the immediate neighborhood at the time of valuation had an oversupply of office space. The report further indicated that large office spaces exceeding 3,000 square feet were going vacant with landlords finding it difficult to secure new tenants. Corey also noted that offerings in the report with ample parking also have not rented for more than a year. The subject's area included some neighborhood retail, but was basically away from both the high-value retailers and from most of the other office buildings.

In the description of the subject building at 24,045 square feet, the appraiser reported the first and second floors each contain 9,263 square feet with a third floor of 5,520 square feet and a mechanical equipment mezzanine above the third floor along with some storage space. There is also an outside patio on the north side of the second floor roof. The building was designed and built for its owner/occupant, an insurance company. The structure features a steel frame with a brick veneer exterior on a slab foundation, a fire alarm, air conditioning, and sprinkler systems. The first floor foyer (atrium) is open to the third floor ceiling with open steel stairs winding up the foyer's

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<sup>3</sup> References to the transcript are noted as "TR." followed by page citation.

perimeter and a 2,000 pound capacity hydraulic elevator located in the foyer. There were only nine parking spaces on the north side of the subject building, but the same owner has a large parking lot east of the building on a separate parcel number (which is not part of the appraiser's report) where most of the employees park. The appraiser described the building as being overbuilt for its neighborhood.

On page 20 of the report, Corey opined an exposure time for the subject property of 6 months. At hearing, Corey testified that finding a single-user buyer for the subject would be fairly difficult and might take 1 to 3 years. (TR. 27-28)

The building is described as containing good quality components and the appraiser opined that any change in use to multi-tenant occupancy would require significant remodeling since the building has only a front door and back door. Moreover, splitting the interior space, whether by floor or otherwise, would also prove difficult along with necessary changes to the mechanicals. Corey guessed any such reconfiguration costs would exceed \$100,000. (TR. 29) The appraiser opined the highest and best use of the subject as improved is its current use as a single occupant office building, recognizing that the site has inadequate parking, but the current owner also has an adjacent parking lot; the appraiser reports that he accounted for the parking issue in each approach to value.

For the cost approach, to determine a value for the subject site, the appraiser examined three suggested land sales located in Rock Island which were within a few blocks of the subject. The comparables range in size from 1,625 to 13,255 square feet<sup>4</sup> and sold between August 2001 and May 2004 for prices ranging from \$3,800 to \$35,000 or from \$1.74 to \$3.93 per square foot of land area. Land Sale #1 had a contract initiated in 1999 that was not closed until 2003; the appraiser reported no evidence suggested a market condition adjustment was necessary for this sale. Land Sale #2 was noted to have been purchased by and have little utility for anyone other than the adjacent property owner. Land Sale #3 was likewise purchased by an adjacent property owner who was only one of two adjacent owners that could assemble this property with their existing property. In summarizing the land sales, the appraiser recognized all three sales were smaller than the subject lot, but also reported there was no evidence with which to make size adjustments to the comparables. Thus, the appraiser opined the subject site, as if vacant, had a value of \$2.50 per square foot, or \$51,000, rounded.

Using the Marshall and Swift Commercial Estimator under the cost approach, the appraiser calculated the subject's improvements had

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<sup>4</sup> Land Sale #3 is reported to have 13,255 square feet. However, with a sale price of \$23,000 and a per-square-foot price of \$1.74, a more accurate size would be 13,218 square feet. No evidence on the record explained this discrepancy.

a cost new of \$3,162,000, rounded. This value took into consideration the 24,045 square foot above average quality building with a 1,322 square foot penthouse mechanical room, sprinklers and fire alarm system. The appraiser further reported the owner and news articles indicated the building cost \$3.2 million to build in 2003, which would include improving the adjacent parking lot with asphalt, curbs and lighting. The appraiser wrote on page 18 of the report that after deducting the additional parking lot cost and adding for construction cost inflation, the estimated replacement cost figure was supported.

The appraiser next estimated the subject has a building life of 65 years and an effective age of 2 years. Using the straight line or age/life method, the appraiser estimated the subject has suffered physical depreciation of \$97,000. The appraiser also concluded significant functional and external obsolescence exists because rents and sales prices in the subject's neighborhood do not support above average construction like the subject building. The appraiser also reported that rents for new buildings are within the range of the rents asked for 20+ year old buildings. Thus, for these reasons, the appraiser concluded the subject suffers combined functional and external obsolescence of 25% or \$766,000. After subtracting the depreciation figures of \$97,000 and \$766,000, and adding back the land value of \$51,000, Corey estimated a value for the subject by the cost approach of \$2,350,000.

In the sales comparison approach, the appraiser examined sales of five comparable properties. The comparables were located in Moline, Illinois and either Davenport or Bettendorf, Iowa. Corey testified that he tried to find comparable sales in the neighborhood and failing that, he expanded the search. The appraiser found it very difficult to find comparable sales that were not a great deal older due to the unique nature of the building, the size and being a single-user building, because such properties are typically built by the user for the user and comparable sales are uncommon. Corey testified that only one substantially smaller single-user office building has sold in the prior ten year period in downtown Rock Island. The five comparables utilized are situated on sites that range in size from 19,200 square feet to 6.39-acres. They are improved with two-story masonry office buildings that range in size from 6,400 to 75,854 square feet of building area and range in age from 4 years to 100 years, although the latter building was extensively remodeled and has an estimated effective age of 20 years. The properties sold between September 2001 and June 2005 for prices ranging from \$570,000 to \$10,402,049 or from \$50.83 to \$137.13 per square foot of building area including land.

In the grid analysis on page 19 of the report, Corey made various adjustments to the comparable sales for market conditions, site improvements/parking availability, location, and a category denoted as age/condition/quality. Corey testified that only Sale #1 despite its age was of the same quality and condition as the subject. The subject was superior in quality, condition and age

to the other comparable sales. The appraiser explained on page 20 of the report and in testimony the bases for his adjustments, including a discussion of how he accounted for the subject's inadequate parking. To account for the lack of on-site parking, Corey estimated the subject was 50 to 65 parking spaces short. Using parking rental data, land value and costs for blacktopping, Corey estimated the loss in value to the subject for the lack of parking was \$150,000. While the subject was inferior in parking to the comparables, the appraiser made a downward adjustment to each comparable based on his estimate of \$6.24 per square foot for parking. Corey also acknowledged four of the comparable buildings were smaller than the subject and he found the locations of the comparables to be superior to the subject, except for Sale #5. After adjustments, the comparables had adjusted sales prices ranging from \$96.50 to \$102.34 per square foot of building area including land. Based on these adjusted comparable sales, Corey determined an estimated value range for the subject of \$2,320,500 to \$2,461,000 and then estimated a final value for the subject under the sales comparison approach of \$2,400,000.

In the income approach, the appraiser examined lease rates of three comparable properties located in Rock Island and Moline, Illinois and Davenport, Iowa, along with four rental offerings. Corey testified that most rents were derived from multi-tenant buildings with available parking. He further noted newer buildings of comparable quality would be ideal for analysis with adjustment for location of the subject. The rental comparables contain from 3,395 to 40,800 square feet of rentable area and have either net rents or rental offerings ranging from \$8.50 to \$14.00 per square foot. Three of the offerings were located in Rock Island and have had little or no space rented in a year or more. Based on his analysis of these rental comparables and rental offerings, Corey concluded a net rental rate for the subject of \$12.00 per square foot, with the tenant paying all expenses but repairs to the bone-structure of the building. After applying this rate to the subject's 24,045 square feet, the appraiser determined a net rent for the subject of \$288,500, which was reduced by 15%, or \$43,000, for vacancy and collection loss. Corey noted that any owner would have to consider a substantial vacancy loss, assuming most leases would be for 5 to 10 years, but with vacancies of 1 to 2 years. This deduction resulted in an effective net rent of \$245,500. Next, the appraiser reduced the net rent by \$15,000 to account for the subject's inadequate parking, leaving a net income of \$230,500. The appraiser then divided the net income by an overall capitalization rate of 10%, which resulted in an indicated value for the subject by the income approach of \$2,305,000. Corey also testified that there were no large fluctuations in rents between 2005 and 2006 for buildings like the subject.

In his reconciliation and final value estimate, Corey noted only two of the five comparable sales are of office buildings less than 8 years old. Because the subject is and likely will remain owner-occupied, the appraiser opined the sales comparison

approach is valid and would be used by market participants and appraisers. The cost approach relies on a cost service and historical evidence, with some support for a land value from land sales in the subject's neighborhood. The subject is relatively new and a cost manual was used to value the improvements along with historical evidence. The income approach has some applicability because the subject could rent to a single-user, but the income approach highlighted the oversupply in the local office market and the fact that resulting rents were not sufficient to support the cost new. Corey concluded in the reconciliation that he relied most heavily on the cost approach of \$2,350,000, which was then bracketed by the sales comparison and income approaches.

During cross-examination by the intervenor's counsel, Corey opined that the subject property could sell on its own with an assurance that the buyer could obtain parking for the subject building in some other manner, such as renting parking or utilizing a nearby city lot. (TR. 35-36) In the cost approach, Corey depreciated the subject by 25% for functional and external obsolescence, in part, on the presence of some dilapidated buildings which were eventually removed in either 2006 or 2007. (TR. 39) While Corey believes that as of early 2006 there may have been plans to demolish two dilapidated buildings in the area, Corey asserted there were other such buildings in the area also. (TR. 39-40) Upon further questioning about the impact of demolition of dilapidated buildings, Corey responded that his 2006 opinion of value was \$50,000 higher than his 2005 estimate.

Another basis for the functional and external obsolescence deduction stemmed from Corey's finding that rents should be at a gross rate of \$20 per square foot for new construction like the subject, but rents were found to be from \$15 to \$16 per square foot which impacts the feasibility of constructing the building. (TR. 41-42) The appraiser was then questioned about Rental #1 with a lease term of \$13.75 per square foot of office space plus \$6.75 for common area maintenance which then was noted as "nearly \$20 per square foot gross rent [which] is at the top of the local market." Corey agreed that this one comparable presents a higher rental figure than the stated range of \$15 to \$16 per square foot. The appraiser was then questioned about Offering Rental #5 which was seeking \$18.41 per square foot, although Corey is not sure that amount was ever obtained. (TR. 42) Similarly for Offering Rental #7, Corey agreed he reported \$14 per square foot net, but with extras for common areas and taxes the asking rate would be somewhere between \$14 and \$20 per square foot. (TR. 43) Corey agreed that if the presumed rent range were not correct, the obsolescence amount would be reduced, but he contended it was in the right direction. (TR. 43) Corey explained that the obsolescence figure was related to his belief the subject should be renting for 25% more than average because of its quality and cost of construction, but as a rental building the structure would not have been built as it was. (TR. 44)

Next, Corey was questioned about his land-to-building ratio for the subject of 0.85:1 as set forth in the comparable sales analysis with downward adjustments made to the comparables for the subject's lack of on-site parking. Corey agreed that if he examined the subject as if it included the separate, adjacent parking lot, the land-to-building ratio would be higher and the adjustments to the sales comparables would be less for at least three of the comparables which would result in higher final adjusted sales prices for the comparables. (TR. 44-46) Corey opined from an appraisal theory perspective he could have addressed the parking issue either in the manner he did adjusting the comparables downward, or by including the separate parking lot and then eventually deducting the value of the parking lot from the value conclusion. (TR. 47)

The appraiser was also questioned about the substantial upward adjustment for age/condition/quality made to Sale #5 to which Corey explained the sale was included as the only single-tenant building he could find with good quality, despite its greater age. Likewise, Corey agreed there was a large upward adjustment on Sale #3 for age/condition/quality.

Within the income approach, Corey agreed that without the deduction for parking, the opinion of value in the income approach would have increased by \$150,000. (TR. 49) Likewise, if the appraiser had determined market rents to be \$14 per square foot rather than the \$12 per square foot that was selected, the conclusion in the income approach would have been changed.

In response to questions by the Hearing Officer, Corey testified that he measured the subject building and found the size to be 24,045 square feet; Corey opined that any difference in size might be related to treatment of the foyer area and associated landings.

On re-direct examination, Corey testified that Rental #1 was within a block of the most valuable real estate area in the Quad Cities; viewing Rental #1 as at the top of the local market for location, Corey stated the subject would be in the bottom half for location. (TR. 52-53) For the rental offerings, Corey opined that negotiated actual rents would probably not be higher than asking rents, unless there were other tenant improvements. (TR. 53) As to the parking issue, Corey testified he believes that the subject's separate parking lot makes for adequate parking.

On re-cross examination, Corey acknowledged that Rental Offering #5 was in close proximity to the subject. On further re-direct testimony, Corey stated that Rental Offering #5 has not been full for a long time. On questioning by intervenor's counsel, Corey noted the building was probably built in 1974.

Appellant next called John Klockau, president of Illinois Casualty Company as of January 1, 2006. Klockau testified that

there were no physical changes to the subject building between January 1, 2005 and January 1, 2006. (TR. 56-57)

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$932,571 was disclosed. The subject has an estimated market value of \$2,814,034 or \$119.40 per square foot of building area including land, as reflected by its assessment and Rock Island County's 2006 three-year median level of assessments of 33.14%. The board of review submitted no evidence in support of the assessment noting only in a cover letter that an intervening party has ordered an appraisal.

The Hearing Officer ordered the board of review to produce the property record card for the subject as required to be submitted with the board's "Notes on Appeal." (86 Ill. Admin. Code, Sec. 1910.40(a)). Upon producing the card at hearing, the board of review represented that the recorded building size of 23,805 square feet was entered by the assessor based on information that the owner of the property reported. (TR. 125)

The intervening taxing district, City of Rock Island, presented a summary appraisal for the subject property as of January 1, 2006 with an estimated market value of \$2,800,000. The appraisal was prepared by Kevin M. Pollard, MAI, who has been president of Roy R. Fischer, Inc. for ten years and been with the firm for 31 years. Pollard was present at the hearing and testified regarding the report which was prepared for *ad valorem* assessment purposes. Pollard is a certified general real estate appraiser in both the States of Iowa and Illinois. He inspected the property on January 6, 2009 and presumed it was in substantially the same condition as of the valuation date.

In the appraisal, Pollard described the subject building as containing 23,568 square feet.<sup>5</sup> Pollard also described the separate parcel of 26,365 square feet developed as a parking lot for the subject building that contains approximately 64 parking spaces. Throughout the appraisal, Pollard combined the subject parcel of 20,333 square feet that contains the building and approximately 17 parking spaces with the separate parcel containing the larger parking area for a total site size of 46,698 square feet which also resulted in analyzing a land-to-building ratio of 1.98:1. As explained in the report, because the larger parking parcel was not part of the assessment appeal, Pollard included the entire property (subject and parking parcel) in the sales and income approaches to value and then deducted an allocated amount for the parking lot. Within the cost approach, Pollard reported that he deducted the contributory value of the

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<sup>5</sup> Building plans described the first and second floors as each having 9,276 square feet, the third floor as having 5,516 square feet, and an equipment and storage mezzanine above the third floor of 1,322 square feet. Due to the second floor atrium, Pollard reduced the building square footage by 500 square feet.

parking lot improvements. Pollard testified approaching the appraisal in this manner, with inclusion of the parking lot and deducting it, as the only equitable way to appraise the property. (TR. 64) Pollard further opined that the subject property would be less valuable if it did not have the adjacent parking lot as it would be penalized for a low land-to-building ratio, even though it had adequate parking. (TR. 64-65) Pollard testified that he would not make a downward adjustment for lack of adequate parking unless the separate parking lot for the subject did not exist. (TR. 66)

For the subject's sale history, Pollard reported the parcel was conveyed by the City of Rock Island to the appellant for \$1.00. In addition, a Development Agreement with the City of Rock Island included that the city would assist the developer in obtaining a Rock Island Commercial Revolving Loan Fund loan of up to \$100,000, assist with a Bi-State Revolving Loan Fund loan application of up to \$250,000, and provide a \$15,000 grant from the city's façade program along with certifying the property was in an Enterprise Zone resulting in various sales and income tax credits. For its commitment, the developer agreed to construct a 24,000 square foot building at a cost of approximately \$3 million.

Based on comparables in the report and information from his database, Pollard estimated a marketing and exposure time for the subject of 1 year. Pollard wrote that the subject is located in an older downtown that has seen a decline as a major retail center. Thus, the subject's street is not as prominent as it was 30-40 years ago, however, several insurance companies, including the appellant, and attorneys are located in the area which is close to the county courthouse. Pollard indicated the only detrimental influences in the immediate area were two adult oriented businesses within a block of the subject. The appraiser further reported that the city has attempted to "re-gentrify" the downtown area by encouraging and supporting conversion of buildings to apartments or condos with considerable success.

Pollard described the subject improvements as serving the appellant insurance company well as its headquarters, but acknowledged that the building would require substantial remodeling to be re-used for multi-tenant occupancy. Pollard opined that single tenant office use was the highest and best use of the subject property.

In estimating the market value of the subject property, Pollard developed the three approaches to value. Under the cost approach, the appraiser first estimated the value of the land using three comparable sales which ranged in size from 8,850 to 45,000 square feet. Each of the comparables was located in downtown Rock Island and sold between January 2002 and October 2004 for prices ranging from \$35,587 to \$76,000 or from \$1.23 to \$4.02 per square foot of land area. After making adjustments for location, ingress/egress, and size, Pollard was of the opinion the land comparables had adjusted prices ranging from \$2.25 to

\$2.75 per square foot with the subject parcel of 20,333 square feet having an estimated land value of \$2.50 per square foot or, rounded down, \$50,000.

Pollard next estimated the replacement cost new of the improvements based on actual costs for the subject reported to be \$2.98 million which included the paving and landscaping of the additional parking lot as well as the associated construction management fees. Pollard then assumed a rise in costs of 12% from fall 2003 to the valuation date resulting in an estimated replacement cost of \$3,337,600 or \$141.62 per square foot of building area including land. Pollard also analyzed Quad Cities area office building construction costs between June 2003 and March 2005, most of which were located in Iowa. The buildings ranged in size from 3,600 to 36,776 square feet with construction costs ranging from \$62.75 to \$165.48 per square foot of building area. Pollard opined that the two most similarly constructed, two-story, one-tenant buildings to the subject had construction costs of \$146.65 and \$165.48 per square foot of building area. Based on the foregoing analysis, Pollard concluded the historic cost adjusted for time was a reasonable estimate for replacement cost of the subject, but an adjustment to deduct for the paving, sidewalks and landscaping for the adjacent parking lot was also necessary. To deduct for the adjacent parking lot, Pollard estimated the asphalt paving and concrete work would cost \$2.75 per square foot or \$72,504 and therefore estimated the subject improvements had a net replacement cost new of \$3,265,096.

Using the age/life method, Pollard estimated the subject suffered from 4% or \$130,604 in physical depreciation using an effective age of 2 years and an economic life of 50 years. He also estimated the subject suffered from 5% each in functional and external obsolescence. The functional obsolescence was based on the superadequacy in the structure, materials or design and that conversion for multi-tenant use would involve substantial costs. External obsolescence related to somewhat high vacancies for comparable office space in downtown Rock Island and Moline with a general oversupply of high quality office space along major corridors outside the downtown area. Thus, Pollard deducted \$313,450 for functional and external obsolescence combined for an estimated depreciated value of \$2,821,042. Adding the estimated land value and the depreciated improvement value, Pollard estimated the subject had an indicated value of \$2,870,000, rounded, under the cost approach.

The next approach to value developed by Pollard was the sales comparison method. Pollard recognized the subject was a relatively large, single-tenant, new property and sought sales through not only his database, but with other appraisers. Pollard utilized five comparable properties, four of which were located in the Iowa cities of Davenport, Dubuque and Iowa City, and one of which was located in Moline, Illinois. The one-story, bi-level or six-story improvements ranged in size from 10,936 to 96,480 square feet of building area. The sales occurred between January 2004 and March 2006 for prices ranging from \$1,270,000 to

\$11,200,000 or from \$93.35 to \$136.96 per square foot of building area including land. Pollard made adjustments to the three sales from 2004 for time of from 5% to 7.5%. Furthermore and as outlined on facing page 9-B, Pollard made adjustments for sale conditions, time, location, quality, condition, size, land-to-building ratio, and functional utility. The appraiser then was of the opinion the comparables had adjusted sales prices ranging from \$120.42 to \$130.89 per square foot of building area including land. Based on this data, Pollard estimated a value near the midpoint for the subject of \$125 per square foot for a market value of \$2,946,000. This estimate included the additional parking lot so Pollard deducted both the value of the improvements to the parking lot calculated in the cost approach of \$72,504 along with the value of the land of \$65,913. Therefore, Pollard deducted \$138,417 for the land and improvements to the parking lot parcel resulting in an estimated value for the subject under the sales comparison approach of \$2,800,000, rounded.

The final approach to value developed by Pollard was the income approach. To estimate market rent, Pollard utilized five comparable leases of "upper-tier" offices located in Moline, Illinois and the Iowa communities of Davenport and Bettendorf. The leases were from June 2003 to August 2004. The comparables ranged in size from 4,146 to 31,120 square feet with rents ranging from \$11.87 to \$14.75 per square foot. Based on analysis of this data, Pollard estimated the subject had a market rent of \$14 square foot on a net basis given its quality of construction and age, resulting in a potential gross income of \$329,952. (TR. 69) Pollard estimated the subject would have a vacancy and collection loss stabilized to be 10% based on a November 2005 survey resulting in an effective gross income of \$296,957. Pollard adjusted the vacancy and collection loss figure from the survey data due to differences in age from the survey properties and the subject. (TR. 70) From this amount Pollard deducted 2% of effective gross income or \$5,939 for management fees and reserves for replacements of \$0.50 per square foot or a total of \$11,784, resulting in a net income of \$279,234. To estimate the capitalization rate Pollard considered comparable Sale #2 which needed an upward adjustment for location and the credit strength of the two tenants. As such, Pollard concluded a capitalization rate applicable to the subject of 9.5%. Capitalizing the subject's estimated net income resulted in an estimate of value under the income approach of \$2,939,305. Again, this conclusion in the income approach to value assumed the subject property had an adequate land-to-building ratio, inclusive of the adjacent parking lot. Pollard therefore deducted the value of the adjacent lot of \$138,417 which resulted in an opinion of value under the income approach of \$2,800,000, rounded.

In reconciling the three approaches to value, Pollard gave equal weight to the sale and income approaches and determined that the cost approach was slightly less reliable. Pollard testified that cost does not necessarily represent value, even recognizing that the building as of the date of value was not yet 3 years old.

On cross-examination, the appellant's attorney questioned Pollard regarding the comparability of locations of the Class A downtown office properties in the November 2005 survey (facing page 7 of the appraisal report). Pollard conceded that each of the Class A properties was in a superior location to the subject. (TR. 71-72) Pollard further explained that the reduction to a 10% vacancy rate in the income approach for the subject was due to its single-tenant use which is prone to less vacancy than multi-tenant buildings. (TR. 73) Upon further questioning, Pollard was unable to name any single-tenant office buildings that have been constructed or sold in the last ten years in downtown Rock Island.

If the subject property had to be divided for multi-tenant use, Pollard opined the building could be subdivided by floor or down the middle to create separate smaller suites. For the plumbing, HVAC and electrical issues, the owner could expend a lot of money to segregate those items or establish gross leases with tenants paying a proportionate share of the expenses. As to Pollard's determination of 5% for functional obsolescence, he characterized the determination as "just an opinion." (TR. 78) Regarding the comparable leases, Pollard conceded that all five of the properties were in superior locations to the subject.

Sale #1 in Pollard's appraisal involved the buyout of a leasehold interest for \$800,000 resulting in an effective sale price, as reported in the addendum of the report, of \$3,200,000 or \$105.62 per square foot of building area including land. (TR. 79-80) In the addendum as to Sale #1, Pollard also reported the property was not actively marketed. On further questioning, however, Pollard was not sure of the facts on this sale as reported in the appraisal. Pollard further asserted that even though Sale #1 was "not actively marketed," he would consider it an arm's length sale transaction despite not having been exposed on the open market.

Pollard testified that he was not made aware of any capital improvements to the subject property that occurred after January 1, 2006 but prior to the date of inspection of January 6, 2009. Pollard also agreed that nearby dilapidated buildings were not removed by the city until mid- to late 2006.

In response to the Hearing Officer's questions, Pollard further explained that the functional obsolescence deduction was due to the extremely well-constructed nature of the subject which "did not hold back on any of the accoutrements in the building."

Sale #2 as reported in the addendum involved a leaseback, had a net rentable area of 88,778 square feet (less than the reported size of the building), and the sale transaction also involved the purchase of another building from the same seller. (TR. 89-90) Pollard asserted he verified the sale data reported.

Sale #3 which had roughly an acre of excess land was adjusted downward for its land-to-building ratio. (TR. 91) This property also had over 100,000 square feet of asphalt and concrete paving, but Pollard testified due to its age of 1984, he did not adjust for it as he did not think that the large parking lot of Sale #3 made a material difference in its price.

Sale #4 was adjusted downward 5% due to the sale terms that involved no down payment at a reasonable interest rate with a five-year balloon. (TR. 93)

Pollard further testified that Sale #5 was built-to-suit for St. Ambrose University for their conference center; the investor then leased the property to the university which, pursuant to the 1999 lease, had the right at any time during the first ten years of the lease to buy the property. The property was not marketed. Pollard noted the parties had the property appraised and determined a mutually agreeable price.

On redirect examination, Pollard contended the subject building's zoning requires a set number of parking spaces per 1,000 square feet of building area or number of employees (which exact figures Pollard did not have available). (TR. 94-95) Pollard further asserted that the subject parcel, without the separate parking lot parcel, would not comply with those zoning requirements.

For re-cross examination, Pollard was asked further about Sale #4 including whether the sale included personal property and how the terms of the sale were verified. While Pollard performed an appraisal of the property, he was not sure if the sale included personal property or not. Pollard was given a copy of the purchase agreement and that is how he knew the sale terms of no money down and a five-year balloon. (TR. 96)

Intervenor's next witness was Sally Heffernan, special projects manager for the City of Rock Island with the Community and Economic Development Department. Her duties include oversight of various programs. She testified that the subject property is located in Rock Island's downtown tax increment planning district. She stated the subject parcel and nearby parcel containing the parking lot were both conveyed on May 1, 2003 by warranty deed from the City of Rock Island for \$1.00. (TR. 99-100) Heffernan further testified to familiarity with applicable zoning regulations for the subject property. Based on the zoning regulations, Heffernan stated that neither parcel could stand on its own and conform to zoning regulations. Standing alone, the parcel with the building lacks adequate parking and standing alone, the parking lot parcel would be non-conforming because it has no handicapped parking spaces. (TR. 100)

Heffernan further testified to familiarity with dilapidated buildings that are now demolished. She testified that environmental work on the buildings began in 2001; contracts for engineering and demolition specs were let in 2003; and two of the buildings were actually removed in 2006 with a third being

removed privately from 2006 and into 2007. (TR. 98-99) Heffernan further opined that the contracts for demolition were approved by the city council in public session so this was public knowledge.

On cross-examination, Heffernan acknowledged having no expertise in determining the effect, if any, the presence of dilapidated neighboring buildings would have on a given property's market value. However, she opined that a typical buyer might research public records and ascertain whether neighboring properties were set for demolition.

In redirect examination, Heffernan stated in 2005 or 2006, public records would have revealed that two buildings were going to be destroyed by the city.

Upon questioning from the Hearing Officer, Heffernan acknowledged that additional questions would have to be asked about the schedule for demolition given that the engineering specs were let by the city in 2003. (TR. 103)

In rebuttal, appellant called Aaron Sutherland, an employee of Illinois Casualty Company since May 30, 2006. He testified that as of his employment on May 30, 2006, none of the nearby dilapidated buildings had been demolished. (TR. 105) At the time of testimony, Sutherland was Vice President/Chief Financial Officer of the company and stated that between January 1, 2006 and January 6, 2009 when Pollard inspected the property, the company expended approximately \$50,000 on capital improvements. (TR. 105-06) Sutherland also testified that probably due to the proximity of the subject to a homeless shelter, occasionally persons wander through the parking lot and peer in the windows at employees within the building. (TR. 106) In addition, recently there was a stabbing not far from the subject's parking lot that resulted in a death.

Sutherland stated that currently with 60 employees, the subject property has sufficient parking; previously when there were more employees at the headquarters office, some of the employees were going to have to use public parking spaces. (TR. 106-07)

On cross-examination, Sutherland stated the stabbing incident occurred in August or September of 2009. (TR. 107) While Sutherland was not familiar with the necessary building permits, he testified the construction on the subject occurred in the Fall of 2008. (TR. 107)

On examination by the Hearing Officer, Sutherland described the capital improvements as involving the conversion of some storage area into work stations and an office; there were no changes to the size of the building, just its utilization. (TR. 108)

On re-direct examination, Sutherland stated that since the demolition of the dilapidated buildings he feels no more or less

safe than he did before; it is the same environment. (TR. 108-09)

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject property's assessment is warranted.

As an initial matter, there was a disagreement between the appraisers as to the size of the subject building. Both appraisers excluded the mezzanine above the third floor that contained mechanical equipment and some storage space. From the descriptions and testimony, it is apparent that appellant's appraiser included as square footage the second story atrium area, whereas intervenor's appraiser deducted 500 square feet for this open space. The Board further notes that the subject's property record card, which was ordered at hearing by the Hearing Officer, indicates the building contains 23,805 square feet, a figure larger than either appraiser's determination. The Board finds the best evidence of the building's size was presented by Pollard who included a deduction for the open space atrium on the second floor of the building. Thus, based on this record, the Board finds the subject contains 23,568 square feet of building area.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. Section 9-145 of the Property Tax Code provides in part that 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 to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill. 2d 428 (1970). 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). Proof of market value may consist of an appraisal of the subject property as of the assessment date at issue, a recent sale of the subject property or documentation of not fewer than three comparable sales. 86 Ill. Admin. Code, Sec. 1910.65(c). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The subject property has a total assessment of \$932,571, which reflects an estimated market value of \$2,814,034 based on the 2006 three-year median level of assessments in Rock Island County

of 33.14%. In support of the overvaluation claim, the appellant submitted a summary appraisal estimating the subject had a market value of \$2,350,000 as of January 1, 2005; in testimony, appellant's appraiser increased his opinion of fair market value to \$2,400,000 as of January 1, 2006. The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessment of the subject was disclosed, but submitted no independent evidence, presented no witnesses in support of the assessment of the subject property, and did not adopt the evidence submitted by another party as authorized by the Official Rules of the Property Tax Appeal Board (see 86 Ill. Admin. Code, Sec. 1910.99). The intervening taxing district submitted a summary appraisal estimating the subject property has a fair market value of \$2,800,000 as of January 1, 2006. Both appraisers' estimates of value are below the market value as reflected by the subject's total assessment.

Both appraisers developed all three traditional approaches to value. In the reconciliation of the three approaches, Corey wrote that he relied primarily on the cost approach for the value conclusion and found it supported by the sales and income approaches. However, when he testified regarding his conclusion, Corey stated the most reliance was placed on the sales and income approaches. Given that Corey's report was an opinion of value as of January 1, 2005 and that Corey testified to a \$50,000 value increase as of January 1, 2006, the Board finds that Corey's testimony of primary reliance on the sales and income approaches is the most credible support for his 2006 value opinion. Moreover, intervenor's appraiser Pollard likewise placed primary reliance on the sales and income approaches with support from the cost approach.

In their cost approaches, both appraisers based on land sales data estimated the subject land having a value of \$2.50 per square foot and both appraisers agreed the subject parcel contains 20,333 square feet of land area. Despite having identical per-square-foot land values for a total of \$50,833, in determining their final respective land values, however, Corey rounded his figure upward to \$51,000 and Pollard rounded his figure downward to \$50,000.

As to the estimated replacement cost for the subject without the additional parking lot, the Board finds that both appraisers came to similar conclusions. Corey estimated a cost of \$3,162,000 and Pollard estimated a cost of \$3,265,096. Next, each appraiser estimated physical depreciation using the age life method with variances in the estimated life of the building. Due to those differences in the building's estimated life, Corey deducted \$97,000 for physical depreciation whereas Pollard deducted \$130,604 for physical depreciation. The Property Tax Appeal Board also recognizes that Corey's calculation of physical depreciation was based on a two-year-old building since the report's valuation date was January 1, 2005. Presumably for a valuation as of January 1, 2006, Corey's physical depreciation

calculation would increase since the building would be one year older at that time.

As set forth in both testimony and the appraisal reports, both appraisers agreed that the subject property was overbuilt and located in an older downtown neighborhood that did not demand the higher rents paid for newer buildings in other parts of the community. The Board finds both appraisers concluded functional and external obsolescence exists because rents and sales prices in the subject's neighborhood do not support above average construction like the subject. In addition, both appraisers agreed the highest and best of the subject property as improved is its current use as a single-tenant office building. Both appraisers noted the difficulty in partitioning the building into multi-tenant use. Nor was there any showing that the utilities as well as the HVAC system could be separately metered and controlled for multi-tenant use without substantial costs. The Supreme Court of Illinois has held that the fair cash value of property should be determined according to the use for which the property is designed and which produces its maximum income. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 18, 544 N.E.2d 762, 136 Ill. Dec. 76 (1989). Here the property was built as a single-tenant office building and there is no evidence that a prospective purchaser could not also use the property as a single-tenant office building. Due to these factors, among others, both appraisers deducted both functional and external obsolescence within the cost approach analysis. Corey deducted 25% depreciation of the replacement cost new and Pollard deducted only 10% depreciation of the replacement cost new. Based on the evidence presented, the Property Tax Appeal Board finds the higher deduction for functional and external obsolescence to be more persuasive given the nature of the building and its location in the older downtown area.

Regarding the sales comparison approach, the Board finds both appraisers each examined five sales of properties in Moline, Illinois and the Iowa communities of Davenport, Dubuque, Bettendorf, and Iowa City. Sale #2 considered by Corey had no money down for the sale with a 7% interest rate and a 5-year balloon and the appraiser made a \$300,000 downward adjustment for the conditions of this sale. In contrast, Pollard's Sales #1, #2, #4 and #5 involved either unique terms of sale such as no money down, a tenant purchase with a lease back, exercise of an option to purchase within a lease, or a purchase by a tenant with a buyout of the leasehold; Pollard made a 5% downward adjustment only to Sale #4 for sale conditions. The Property Tax Appeal Board finds that the unique sale circumstances of each of the foregoing five sales may have some bearing on whether these sales are reflective of fair cash value. Thus, the Board finds the most relevant sale comparables for analysis in determining the subject's fair cash value based on sale conditions, location, age and size were Corey's Sales #1, #3, #4 and #5 along with Pollard's Sale #3. These five properties sold between September 2001 and June 2005 for prices ranging from \$50.83 to \$137.13 per square foot of building area including land.

After adjustments by the appraisers, the comparables had adjusted sales prices ranging from \$96.50 to \$120.42 per square foot of building area including land. The Property Tax Appeal Board also recognizes that because Pollard's methodology in the comparable sales analysis required reducing the final value conclusion by an amount allocated for the value of the adjacent parking lot, the high end of the range as reflected in Pollard's adjusted sale price for Sale #3 of \$120.42 per square foot would have to be reduced to account for the parking lot. In contrast, given Corey's testimony that the overall value of the subject property had increased by \$50,000 from 2005 to 2006, Corey's 2005 sales analysis conclusion of \$2,400,000 might have to be increased slightly. In any event, the Board finds, based on the adjustments already made for the subject's limited on-site parking, Corey's adjusted sales price range of \$96.50 to \$99.89 per square foot of building area including land is more reflective of the subject's 2005 fair cash value. Except for Corey's Sales #5, both appraisers found the comparables needed downward adjustments for location as compared to the subject. Except for Corey's Sale #1, all of the comparables were older and smaller than the subject and required upward adjustments for age and downward adjustments for size. Based on its assessment, the subject has an estimated market value of \$2,814,034 or \$119.40 per square foot of building area including land which is above the range of these five comparable sales in the record. The Board further finds the courts have stated that where there is credible evidence of comparable sales, these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill. App. 3d 207 (1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. After giving most emphasis to the relevant sales identified in Corey's appraisal with some consideration to Pollard's Sale #3, the Property Tax Appeal Board finds the subject property had a market value of \$102.00 per square foot of building area, land included, resulting in a total indicated value of \$2,404,000, rounded.

Regarding the income approach, the Board finds each appraiser examined lease rates for eight comparable properties and four lease offerings of properties located in Rock Island and Moline, Illinois and the Iowa communities of Davenport and Bettendorf. The comparables have either net rents or rental offerings ranging from \$8.50 to \$14.75 per square foot. Three of the offerings located in Rock Island have had little or no space rented in a year or more. Several of the lease comparables presented by appellant's appraiser lacked inclusion of additional rental costs for common area maintenance which suggested that the range presented was slightly low. While the net rental rates presented by Pollard ranged only to a high of \$14.75 per square foot, given the superior location of the lease comparables, the Board finds the market rent determination made by Pollard to be slightly excessive. Based on an analysis of the rental comparables and rental offerings, the appraisers concluded varying rental rates

for the subject; Corey concluded a rate of \$12.00 per square foot and Pollard concluded a rate of \$14.00 per square foot. The Board finds an estimate of market rent of \$13.00 per square foot to be appropriate and supported by evidence in record.

The appraisers also differed on the vacancy and collection loss to be anticipated for the subject with Corey estimating 15% of potential gross income as compared to Pollard estimating 10% of potential gross income for this deduction, The Board finds that based on the appraisers' agreement that there was an oversupply of vacant office space in the subject area and that the subject was located in a slightly less desirable older downtown area of Rock Island, the Board finds the most appropriate and best supported vacancy and collection rate was that presented by Corey of 15%. The Board also finds Pollard's estimates of management fees and reserves for replacements were appropriate and supported by evidence in the record. The appraisers differed slightly on their capitalization rates and the Board finds a capitalization rate of 10% as presented by Corey was appropriate and supported by the evidence. Thus, a market rent of \$13.00 per square foot is calculated to be a potential gross rent of \$306,384. Deducting a vacancy and collection loss of 15% or \$45,958 results in an effective gross income of \$260,426 and then deducting 2% of the effective gross income or \$5,209 for management fees and \$11,784 for reserves for replacements, results in a net income of \$243,433. When one capitalizes the net income by 10%, the result is an estimated market value under the income approach of \$2,434,330.

Based on the foregoing analysis and after considering the sales and income approaches as discussed herein, the Property Tax Appeal Board finds the testimony of the appellant's appraiser wherein the appraiser estimated the subject's market value at \$2,400,000 as of January 1, 2006 is the best evidence of value that is supported in the record. The Board finds the appellant, through the supporting documentation and testimony of its appraiser, adequately demonstrated the subject's market value as reflected by its assessment is excessive. Since market value has been established, the Property Tax Appeal Board finds the 2006 three-year median level of assessments for Rock Island County of 33.14% shall apply. (86 Ill. Admin. Code, Sec. 1910.50(c)(1)). Therefore, the Property Tax Appeal Board finds the subject had a market value as of January 1, 2006 of \$2,400,000.

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.

*Ronald R. Guit*

Chairman

Member

*Mark Morris*

Member

Member

*William R. Lerbis*

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: September 24, 2010

*Allen Castrovillari*

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.