



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

APPELLANT: Ray & Becky Kelch  
DOCKET NO.: 07-00185.001-R-1  
PARCEL NO.: 13-06-328-012

The parties of record before the Property Tax Appeal Board are Ray & Becky Kelch, the appellants, and the Peoria County Board of Review.

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

**LAND: \$4,560  
IMPR.: \$10,389  
TOTAL: \$14,949**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a one-story frame dwelling that was built in 1910 and contains 1,192 square feet of living area, which includes a  $\frac{3}{4}$  finished attic. Features include a full unfinished basement. The subject dwelling is situated on a .32-acre parcel in Edwards, Kickapoo Township, Peoria County.

The appellants contend the subject's assessment is not reflective of its fair market value. In support of this argument, the appellants represented that the subject property was purchased from Roger Kelch for \$36,000 in July 2007. On the Residential Appeal form, the appellants indicated that parties to the transaction were not related and the property was sold by owner. The appellants further reported that the property was not advertised for sale and the seller's mortgage was not assumed. Additionally, the appellants reported that \$9,000 was expended before the property could be occupied in January 2008. Based on the foregoing, the appellants requested the subject's assessment be reduced to \$12,000 in order to reflect a market value of approximately \$36,000.

The board of review presented its "Board of Review Notes on Appeal" wherein the subject property's final assessment of \$19,600 was disclosed. The subject's assessment reflects an estimated market value of \$59,000 or \$49.50 per square foot of living area including land using Peoria County's 2007 three-year median level of assessment of 33.22%.

The board of review submitted a copy of the subject's property record card (PRC) indicating the previous owner was the Laverne B. Kelch Estate. The PRC also indicated the subject sold in July 2007 for \$36,000 and an Executor's Deed was issued.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted a grid analysis of three suggested comparable sales, one of which was located in the same neighborhood code assigned by the assessor as the subject property. One of the comparables had no land size data, but the other two comparables have parcels of 1.4 and 1.6-acres, respectively. The parcels are improved with one-story or one and one-half-story cottage or bungalow style dwellings built between 1900 and 1945. The comparables range in size from 624 to 1,547 square feet of living area and feature full unfinished basements. Two comparables have central air conditioning and two comparables have garages of 308 and 448 square feet of building area. The comparables sold from July 2005 to December 2007 for prices ranging from \$45,000 to \$69,000 or from \$40.76 to \$99.36 per square foot of living area, land included. Based on these suggested sales, the board of review requested confirmation of the subject's assessed valuation.

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. The Board further finds a reduction in the subject property's assessment is warranted.

The appellants argued the subject property is overvalued. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2d 1256 (2<sup>nd</sup> Dist. 2000). The Board finds the appellants have overcome this burden.

The evidence disclosed that the subject was purchased in July 2007 for a price of \$36,000 and that renovations of \$9,000 had to be performed before occupying the property. The information provided by the appellants in the Residential Appeal form indicated the sale had the elements of an arm's-length transaction in that it occurred between unrelated parties and the seller's mortgage was not assumed. However, reviewing the appeal form along with the PRC disclosed the surnames of the parties to the transaction were the same, calling into question whether or not the parties were related. Additionally, there was no information that the subject was exposed on the market for

purposes of its sale. It is also noteworthy that the purchase occurred about 7 months after the assessment date at issue of January 1, 2007.

Ordinarily, property is valued based on its fair cash value (also referred to as fair market value), "meaning the amount the property would bring at a voluntary sale where the owner is ready, willing, and able to sell; the buyer is ready, willing, and able to buy; and neither is under a compulsion to do so." Illini Country Club, 263 Ill. App. 3d at 418, 635 N.E.2d at 1353; see also 35 ILCS 200/9-145(a). The Illinois Supreme Court has held that a contemporaneous sale of the subject property between parties dealing at arm's length is relevant to the question of fair market value. People ex rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill. 2d 158, 161, 226 N.E.2d 265, 267 (1967). A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill. App. 3d 369 (1<sup>st</sup> Dist. 1983), People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945). In light of this holding, the comparable sales submitted by the board of review were given less weight.

The board of review's comparables #1 and #3 differed substantially in dwelling size from the subject. Based on these differences, the Board has given less weight to the board of review's comparables #1 and #3.

Considering the sale of the subject and board of review comparable #2, the Board finds the best evidence of the subject's fair market value in the record is the July 2007 purchase price of \$36,000 plus \$9,000 in renovations for a total estimated market value of \$45,000 bracketed with another sale of a similar property for \$45,000 that occurred in July 2005. The record is insufficient for the Property Tax Appeal Board to make a determination that the sale of the subject was not a transfer between families or related parties, however, the board of review did not specifically contest the arm's-length nature of the subject's sale price.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$45,000 on January 1, 2007. The subject's assessment reflects an estimated market value of approximately \$59,000, which is higher than its arm's-length sale price plus the costs of renovations. Therefore a reduction is warranted. Since the fair market value of the subject has been established, the Board finds that the 2007 three-year median level of assessment for Peoria County of 33.22% shall apply.

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. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario Morris*

Member

*Shawn 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: July 23, 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.