



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

APPELLANT: Rebecca Kelley  
DOCKET NO.: 07-00573.001-R-1  
PARCEL NO.: 18-08-153-005

The parties of record before the Property Tax Appeal Board are Rebecca Kelley, the appellant; and the Peoria County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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: \$8,820  
IMPR.: \$47,410  
TOTAL: \$56,230**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 77 year-old, two-story style frame duplex dwelling with stucco exterior that contains 3,178 square feet of living area. Features of the home include central air conditioning, a fireplace, a 672 square foot garage and a full unfinished basement.

The appellant appeared before the Property Tax Appeal Board claiming assessment inequity and overvaluation as the bases of the appeal. The appellant first contends the subject contains 2,898 square feet of living area, based on an old appraisal, from which a floor plan drawing was submitted. In support of the inequity argument, the appellant submitted property record cards, and a grid analysis of four comparable properties located 4 blocks to 2.5 miles from the subject. The comparables consist of three, two-story brick or masonry and frame duplexes and one, 1.5-story brick duplex. The comparables were built between 1910 and 1940 and range in size from 2,209 to 2,976 square feet of living area. Features of the comparables include full unfinished basements. Two comparables have central air conditioning, two

have two fireplaces and two have garages. These properties have improvement assessments ranging from \$25,700 to \$41,920 or from \$11.63 to \$14.10 per square foot of living area. The subject has an improvement assessment of \$47,410 or \$14.92 per square foot of living area. The appellant contends that, based on her estimate of the subject's living area as 2,898 square feet, the subject has an improvement assessment of \$16.36 per square foot of living area.

In support of the overvaluation argument, the appellant submitted multiple listing sheets and sales information on three of the comparables used to support the inequity contention. The comparables sold between January and October 2006 for prices ranging from \$89,000 to \$151,500 or from \$38.86 to \$50.90 per square foot of living area including land.

In further support of the overvaluation argument, the appellant submitted income and expense information from tax returns for the subject property for the years of 2004, 2005 and 2006. Net income for 2004 was reported at \$1,673. Because of blacked-out figures on the appellant's supporting data, no income or loss was discernable for 2005. The 2006 data indicated a loss of \$4,567. No data was submitted on comparable properties to demonstrate the subject's income and expenses were reflective of the market. Based on this evidence, the appellant requested the subject's assessment be reduced to \$42,500.

During the hearing, the appellant acknowledged she did not know if the subject's income and expenses were reflective of the market for similar properties.

The board of review submitted its Board of Review Notes on Appeal wherein the subject's total assessment of \$56,230 was disclosed. The subject has an estimated market value of \$169,266 or \$53.26 per square foot of living area including land, as reflected by its assessment and Peoria County's 2007 three-year median level of assessments of 33.22%.

In support of the subject's assessment, the board of review submitted property record cards and a grid analysis of three comparable properties located in the same assessor's assigned neighborhood code as the subject. The comparables consist of two-story brick or stucco dwellings that were built in 1920 or 1930 and range in size from 2,763 to 4,228 square feet of living area. Features of the comparables include full or partial basements, two of which have recreation rooms of 500 or 600 square feet. Two comparables have one or three fireplaces, two have garages that contain 440 or 462 square feet of building area and one has central air conditioning. These properties have improvement assessments ranging from \$48,300 to \$57,760 or from \$12.43 to \$19.54 per square foot of living area.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted sales information on the same three comparables used to support the

subject's improvement assessment. The comparables sold between August 2005 and March 2007 for prices ranging from \$178,000 to \$185,000 or from \$43.76 to \$65.87 square foot of living area including land. Based on this evidence, the board of review requested the subject's assessment be confirmed.

During the hearing, the board of review called City of Peoria Township assessor Max Schlafley as a witness. Schlafley testified he personally visited the subject property and, using outside dimensions, determined it contains 3,230 square feet of living area. However, after a statement by the appellant that a rear stairwell used to access the second floor is not heated or cooled, the board of review agreed the subject contained 3,178 square feet of living area. Based on this adjustment, the board of review contends the subject's improvement assessment is \$14.92 per square foot of living area.

In rebuttal testimony, the appellant asserted the board of review's comparable 3 is a single family dwelling, unlike the subject and her comparables, which are duplexes.

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. The Property Tax Appeal Board further finds that a reduction in the subject's assessment is not warranted.

The appellant's first argument was unequal treatment in the assessment process. The Illinois Supreme Court has held that taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data, the Board finds the appellant has not overcome this burden.

The Board finds the parties submitted seven comparables for its consideration. The Board gave less weight to the appellant's comparables 1 and 2 and the board of review's comparable 2 because these properties differed significantly in living area when compared to the subject. The appellant's comparable 2 was also located a considerable distance from the subject. The Board also gave less weight to the board of review's comparable 3 because it was a single family dwelling, unlike the subject duplex. The Board finds the appellant's comparables 3 and 4 and the board of review's comparable 1 were two-story duplex dwellings and were similar to the subject in living area, age, size and most features. These properties have improvement assessments ranging from \$11.67 to \$17.48 per square foot of living area. The subject's improvement assessment of \$14.92 per square foot of living area, based on its corrected living area of 3,178 square feet, falls within this range. The Board finds the board of review's comparable 1 was identical in age to the

subject and had central air conditioning and a garage like the subject, whereas the appellant's comparable 3 has no garage nor central air conditioning.

The appellant also argued overvaluation as a basis of the appeal. When market value is the basis of the appeal, the value 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). After analyzing the market evidence submitted, the Board finds the appellant has failed to meet this burden.

The Board gave less weight to the appellant's comparables 1 and 2 and the board of review's comparables 2 and 3 for the reasons stated above. The Board finds the appellant's comparable 4 had not sold recently. The appellant's comparable 3 and the board of review's comparable 1 were similar to the subject in most respects and sold for prices of \$50.90 and \$65.87 per square foot of living area including land. The subject's estimated market value as reflected by its assessment of \$53.26 per square foot of living area including land, is supported by these two most representative comparables.

The Board finds the appellant submitted income and expense data for the subject for three years prior to the 2007 assessment year at issue in this appeal. The Board finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

[I]t is the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value".

Many factors may prevent a property owner from realizing an income from property that accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d at 431.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using an income approach, as the appellant attempted, one must

establish through the use of market data the market rent, vacancy and collection losses, and expenses to arrive at a net operating income reflective of the market and the property's capacity for earning income. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant did not provide such evidence; therefore, the Property Tax Appeal Board gives this argument no weight.

In summary, the Board finds the appellant failed to prove inequity by clear and convincing evidence or overvaluation by a preponderance of the evidence and the subject's assessment as determined by the board of review is correct and no 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.

*Ronald R. Cuit*

Chairman

*Frank J. Huff*

Member

Member

*Mario M. Louie*

*Shawn R. Lerski*

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: May 21, 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.