



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

APPELLANT: Magna Trust Co.  
DOCKET NO.: 07-01723.001-R-1  
PARCEL NO.: 18-05-328-042

The parties of record before the Property Tax Appeal Board are Magna Trust Co., the appellant, by attorney Clyde B. Hendricks of Peoria; 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: \$ 5,360  
IMPR.: \$23,790  
TOTAL: \$29,150**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a two-story frame dwelling containing 2,363 square feet of living area that was built in 1909. The dwelling features an unfinished basement, central air conditioning and a garage. The subject dwelling is in average condition and has a quality grade assigned by the assessor of B.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. At the commencement of the hearing, the appellant's counsel agreed that the assessment appeal is comprised of a residential investment rental property wherein the market approach to value was employed to show the subject's assessment was incorrect. Counsel acknowledged that the grid analysis data submitted on behalf of the appellant included land and improvement assessment information for the comparables, but there was no argument being made with regard to lack of uniformity.

The appellant's first witness was William Leroy who prepared the evidence on behalf of the appellant. Leroy testified he is a full-time realtor with 25 years experience and has occasionally done "tax protesting" for that same time period with the greatest workload in the quadrennial reassessment years. At times, Leroy performs this "tax protesting" work with Robert O. Kaiser. Leroy is not a licensed appraiser and does not have any appraisal designations. Based on his professional experience, investment properties are generally harder to sell because they are in poorer areas, are generally not well maintained, and there is a limited pool of potential buyers who may be purchasing with cash.

Under cross-examination, Leroy addressed his fee arrangement. Leroy testified his fee is "based on success" (i.e., contingent on the outcome of the appeal) if he does a "good" job he gets paid and if he does a "poor" job he does not get paid. Additionally, the witness testified that some of the comparable properties as well as the subject property in each appeal were inspected. Leroy was asked about the nature of the sales comparables which were presented: were these foreclosures, bulk sales, estate sales, sales sold by court order, or sold by financial institutions.

Under re-direct examination with regard to repossession re-sales, Leroy testified that any property that is listed and exposed to the open market where offers and counteroffers could be made for the purchase of a property would be a valid sale for consideration. Leroy testified that unlike in the past when repossessed properties were handled directly by the bank, the current practice is to have third-party companies handle the repossessed properties, which are advertised through the Multiple Listing Service making them available and "on the market." Leroy further contended that as long as the sale was not between related parties, the sale would qualify as an arm's-length transaction, regardless of the number of days listed on the market. He did acknowledge that the third-party company will reduce the listing price the more days the property sits on the market.

The second witness called by appellant was Robert O. Kaiser who assisted Leroy in gathering the comparable data. Kaiser is not an appraiser and has no appraisal designations; he was a real estate agent until March 31, 2008, but his primary profession is as a certified public accountant. Kaiser has bought and sold hundreds of houses in the Peoria real estate market over the past 25 years through various companies he has owned.

In support of the overvaluation argument, the appellant submitted three suggested comparables located within relative close proximity to the subject. The comparables consist of two-story frame or asbestos sided dwellings that were built from 1904 to 1916. The comparables have unfinished basements and central air conditioning. One comparable has a fireplace and two comparables

have a garage. Two comparables have quality grades assigned by the assessor of B or B-5 and are reported to be in average or good condition. The dwellings range in size from 1,644 to 1,759 square feet of living area. The comparables sold from March 2006 to December 2006 for prices ranging from \$68,500 to \$69,000 or from \$39.22 to \$41.66 per square of living area including land. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's assessment of \$40,350 was disclosed. The subject's assessment reflects an estimated market value of \$121,463 or \$51.40 per square foot of living area including land using 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 a market analysis detailing three suggested comparable sales located within relative close proximity to the subject. The comparables consist of two-story frame or brick dwellings that were built from 1904 to 1919. The comparables have unfinished basements and central air conditioning. Two comparables have a fireplace and all the comparables have a garage. Two comparables have quality grades assigned by the assessor of B or B+5 and are reported to be in average or good condition. The dwellings range in size from 1,932 to 2,213 square feet of living area. The comparables sold from May 2006 to November 2006 for prices ranging from \$90,000 to \$112,000 or from \$40.67 to \$57.97 per square of living area including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant argued the subject property is located on University Avenue, which is one of the busiest streets in Peoria. The appellant argued the comparables submitted by the board of review are located in a quiet residential area. The appellant argued comparable 3 is of superior brick construction, unlike the subject. The appellant also allege comparables 2 and 3 are owner occupied residences, unlike the subject. The appellant also questioned the arm's-length nature of comparable 1 because it was purchased by a neighboring church and may not be have been listed for sale on the open market.

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's assessment is warranted.

The appellant 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). After an analysis of the evidence, the Board finds the appellant has overcome this burden.

The record contains six suggested comparable sales for the Board's consideration. The Board finds both parties comparables sold for prices ranging from \$68,500 to \$112,000. The Board finds all the comparables sold for less than the subject's estimated market value as reflected by its assessment of \$121,463. The Property Tax Appeal Board gave less weight to the comparables submitted by the appellant due to their smaller sizes when compared to the subject. The Board also gave less weight to one comparable submitted by the board of review due to its dissimilar exterior construction when compared to the subject. The Board finds the remaining two comparables submitted by the board of review are more representative of the subject in age, size, style, location and features. They sold in May and November 2006 for prices of \$90,000 and \$95,000 or \$40.67 and \$48.77 per square of living area including land. The subject's assessment reflects an estimated market value of \$121,463 or \$51.40 per square foot of living area including land. After considering adjustments to the comparables for any differences when compared to the subject, the Property Tax Appeal Board finds the subject's estimated market value as reflected by its assessment is excessive and a reduction is warranted.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.

*Donald 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: October 28, 2009

*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.