



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

APPELLANT: Roger Anderson
DOCKET NO.: 08-06405.001-C-2 through 08-06405.002-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Roger Anderson, the appellant, and the Franklin 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 Franklin County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
08-06405.001-C-2	07-13-402-009	93,765	415,159	\$508,924
08-06405.002-C-2	07-13-402-008	105,005	134,646	\$239,651

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of two parcels which combined consists of a 10,150 square foot multi-tenant (4 unit) retail center of concrete block construction built in 2005 and a ground lease with Gourmet Systems, Inc. (Applebee's) improved with a 4,768 square foot building. The property is 'shadow anchored' by a Wal-Mart Supercenter. The 4-units of retail strip center range in size from 1,400 to 3,640 square feet of building area. The center has a 1-acre site with 47 parking spaces and the Applebee's ground lease is located adjacent to the west of the retail center situated on a 1.12-acre site with 67 parking spaces. The parcels are located in West City, Browning Township, Franklin County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject had a market value of \$1,700,000 as of January 1, 2009. The appraiser developed the three traditional approaches to value in estimating the market value of the subject property. Under the cost approach the appraiser estimated the subject had an indicated value of \$1,700,000. Developing the

sales comparison approach the appraiser estimated the subject had a market value of \$1,800,000. The appraiser used four sales and an active listing; the sales occurred between May 2006 and February 2009 for prices ranging from \$1,078,000 to \$4,000,000 or from \$87.64 to \$195.87 per square foot of building area including land. The 'active listing' was for \$1,250,000 or \$123.15 per square foot of building area including land. The appraiser made adjustments for differences in location, size, age, condition, and date of sale resulting in adjusted sales prices from \$113.93 to \$127.77 per square foot of building area including land. Using the income approach the appraiser estimated the subject had a market value of \$1,700,000. The appraiser gave most weight to the income approach to value along with substantial consideration to the sales comparison approach in arriving at the final estimate of market value. Based on this evidence the appellant requested the subject's total two-parcel assessment be reduced to \$546,852 which would reflect a market value of approximately \$1,640,556.

The board of review submitted its "Board of Review Notes on Appeal" wherein the final assessments of the parcels totaling \$750,000 were disclosed. The subject's assessments reflect a market value of \$2,254,283 when applying the 2008 three year median level of assessments for Franklin County of 33.27% as determined by the Illinois Department of Revenue.

In support of the assessment, the board of review submitted information on the subject's purchase price of \$2,250,000 which occurred in September 2007, a mere three months prior to the assessment date at issue of January 1, 2008. Moreover, the recorded documents indicate that the property was advertised for sale. Included with the documentation was a letter by the appellant written to the board of review for his appeal acknowledging that "I purchased this property in September 2007 for \$2,250,000" The letter dated September 15, 2008 proceeds to assert that due to a declining real estate market, the appellant opined that the property was worth \$2 million "today." In further support of his appeal to the Franklin County Board of Review, the appellant had presented summary pages from an appraisal with a valuation date of March 9, 2006 estimating a market value for the subject property of \$2,340,000.

In a letter further addressing this appeal, the board of review contended that use of the instant appraisal with a valuation date of January 1, 2009 was inappropriate for this 2008 assessment appeal.

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 the appeal. The Board further finds the evidence in the record supports a reduction in the subject's assessment.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When

market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds based on the evidence in the record, a slight reduction in the subject's assessment is warranted.

The appellant submitted an appraisal estimating the subject property had a market value of \$1,700,000 as of January 1, 2009. The board of review presented unrefuted evidence that the subject property was purchased in September 2007 for \$2,250,000. The information provided by the appellant indicated the sale had the elements of an arm's length transaction and the sale occurred only 3 months prior to the assessment date at issue of January 1, 2008. The board of review's responsive evidence asserted the arm's-length nature of the sale of the subject property and the appellant did not refute that contention.

Except in counties with more than 200,000 inhabitants which classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). 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 (1st 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 in the appellant's appraisal were given less weight; moreover, three of the four sales in the appraisal occurred in December 2008, January and February 2009 which is 11, 12 and 13 months, respectively, after the assessment date at issue. The only other sale presented in the appraisal from May 2006 also was not proximate to the assessment date. While the appraisal includes an 'active listing' since the appraisal was prepared in May 2009, this listing would also be less proximate in time to the assessment date than the subject's purchase price.

The Board finds the best evidence of the subject's fair market value in the record is the September 2007 sale for \$2,250,000. The Property Tax Appeal Board finds the sale was not a transfer between family or related parties; the property was advertised for sale. Furthermore, the Board finds there is no evidence in the record that the sale price was not reflective of the subject's market value. Moreover, the board of review did not contest the arm's-length nature of the subject's sale, thus, based on the foregoing facts, the Property Tax Appeal Board finds the subject's September 2007 sale price of \$2,250,000 was arm's-length in nature.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$2,250,000 on January 1, 2008. The subject's assessment reflects an estimated market value of approximately \$2,254,283, which is slightly higher than its arm's-length sale price. Therefore a reduction is warranted. Since the fair market value of the subject has been established, the Board finds that the 2008 three-year median level of assessment for Franklin County of 33.27% 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.



Chairman



Member



Member



Member



Acting 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: December 23, 2011



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.