



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

APPELLANT: Frank Seppi
DOCKET NO.: 09-05258.001-R-1 through 09-05258.002-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Frank Seppi, the appellant, and the St. Clair 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 St. Clair County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
09-05258.001-R-1	08-28.0-104-013	2,816	0	\$2,816
09-05258.002-R-1	08-28.0-104-014	2,816	0	\$2,816

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of two vacant parcels totaling approximately 14,077 square feet of land area located in Belleville, Belleville Township, St. Clair County.

The appellant submitted a residential appeal contending overvaluation based on the recent purchase price of the subject parcels. In support of this argument, the appellant indicated on the appeal form that the property was purchased in March 2010 for \$10,000. The appellant indicated the subject property was sold by Frank A. Seppi, "selling via contract for deed."¹ The property was not advertised for sale, but the parties to the transaction were not related and the seller's mortgage was not assumed.

The appellant also submitted copies of the Contract To Purchase Real Estate and a copy of the Contract For Deed Checklist Addendum "K", both dated February 24, 2010, reiterating the purchase price. Based on this evidence the appellant requested

¹ The documentation submitted depicts the seller as "Albert Seppi Trust Account" and the purchaser being Randy L. and Margie Teutrine.

the subject's assessment be reduced to \$3,332 in total which would reflect a market value of approximately \$10,000 for both parcels as of the assessment date at issue of January 1, 2009.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final equalized assessment for each of the subject parcels totaling \$7,058 was disclosed. The subject's equalized assessment reflects a market value of approximately \$21,150 for both parcels when applying the 2009 three year median level of assessments for St. Clair County of 33.37% as determined by the Illinois Department of Revenue.

To support the subject's proposed assessment, the board of review submitted a grid analysis of four comparables, one of which included sales data. The comparables were within about 1,500 feet of the subject property, but in different subdivisions than the subject. The four comparable parcels range in size from 3,794 to 19,948 square feet of land area. Comparable #1 consisting of a 6,171 square foot parcel reportedly sold in January 2010 for \$15,000 or \$2.43 per square foot of land area. In the grid analysis, the board of review reported the subject's purchase price of \$5,000 per parcel or for \$0.71 per square foot of land area and did not dispute that the subject property sold in March 2010.

The board of review proposed to reduce the assessment of each of the parcels to \$2,816 or a market value of approximately \$8,448 per parcel based on sales and assessment data of similar lots in the subject's neighborhood. The appellant was informed of the proposed assessment reductions and rejected both proposals.

Based on this record, the board of review requested that the subject's assessment be reduced to \$2,816 per parcel or a market value of approximately \$16,878 or \$1.20 per square foot of land area.

In rejecting the proposed assessment reduction, the appellant also responded to the board of review's evidence. As to board of review comparable #1, the appellant contends there is no record of this sale with the local Multiple Listing Service and therefore the appellant contends the transaction does not meet the definition of a "market oriented transaction." In addition, one sale does not make a market. As to the assessment data presented on the other three comparables, the appellant noted that there was great disparity in the per-square-foot assessments of these parcels.

As to the subject parcels, the appellant's rebuttal included his contention that these two adjoining lots have a mobile home straddled across both lots and would be marketed as one property of approximately 14,000 square feet of land area. He further stated the sale of the subject was an "arm's length" transaction as the buyer had full and complete knowledge of the property having lived there for over 10 years and their father having lived there prior to that. "To discount this actual market sale

price without evidence to the contrary is arbitrary and capricious."

As additional evidence, the appellant provided information on one sale and one current listing. The sale occurred in April 2002 of a 6,600 square foot lot for \$4,200 or \$0.64 per square foot of land area. The "current listing" (on the market for 168 days as of approximately September 2011 when the rebuttal was filed) described a 24,750 square foot parcel located in close proximity to the subject with an asking price of \$18,000 or \$.073 per square foot of land area.

Pursuant to the rules of the Property Tax Appeal Board, rebuttal evidence is restricted to that evidence to explain, repel, counteract or disprove facts given in evidence by an adverse party. (86 Ill.Admin.Code §1910.66(a)). Moreover, rebuttal evidence shall not consist of new evidence such as an appraisal or newly discovered comparable properties. (86 Ill.Admin.Code §1910.66(c)). In light of these rules, the Property Tax Appeal Board has not considered the newly discovered comparable properties submitted by appellant in conjunction with his rebuttal argument.

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 assessment of the subject property is excessive and not reflective of its market value. 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).

The appellant contends the subject's assessment should be reduced based on the March 2010 sale price of the subject. The evidence disclosed that the subject parcels sold for a price of \$10,000, but the sale was not advertised and the appellant further reported in rebuttal that the property was sold to the existing long-term tenants of the property. The information provided by the appellant indicated the sale does not meet the fundamental elements of an arm's length transaction in that it was not advertised on the open market.

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 (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).

The appellant's appeal petition acknowledged that the subject property was not advertised for sale. As such, the general public did not have the same opportunity to purchase the subject property at any negotiated sale price and the sale of the subject property lacks one of the necessary elements of an arm's length transaction. Other recognized sources further demonstrate the fact a property must be advertised or exposed in the open market to be considered an arm's-length transaction that is reflective of fair market value. Black's Law Dictionary (referencing Bourjois, Inc. v. McGowan and Lovejoy v. Michels (citation omitted)), states:

. . . the price a property would command **in the market**" (Emphasis added). This language suggests a property must be publicly offered for sale in the market to be considered indicative of fair market value.

The Board finds there are other credible sources that specify a property must be advertised for sale in the open market to be considered an arm's-length transaction. The Dictionary of Real Estate Appraisal [American Institute of Real Estate Appraisers, The Appraisal of Real Estate, 8th ed. (Chicago American Institute of Real Estate Appraisers, 1983), provides in pertinent part:

The most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property will sell in a competitive market under all conditions requisite to fair sale; The property is exposed for a reasonable time on the open market.

Additionally, the Property Assessment Valuation, 2nd edition, states: Market value is the most probable price, expressed in terms of money, that a property would bring **if exposed for sale in the open market** [emphasis added] in an arm's-length transaction between a willing seller and a willing buyer; a **reasonable time is allowed for exposure to the open market**. [emphasis added]. (International Association of Assessing Officers, Property Assessment Valuation, 2nd edition, Pgs. 18, 35, (1996)).

The Board finds the appellant submitted the March 2010 sale price of the subject for \$10,000 or \$0.71 per square foot of land area and the board of review submitted one comparable sale of \$15,000 or \$2.43 per square foot of land area that occurred in January 2010. The Board finds the only substantive sales evidence in the record indicates that the subject property is overvalued based on its assessment that reflects a market value of approximately \$21,150 for both parcels or \$1.50 per square foot of land area.

Based on a review of the evidence contained in the record, the Property Tax Appeal Board finds a reduction in the assessment of the subject property is warranted in accordance with the proposal made by the board of review and thus, the Board finds a reduction in the subject's assessed valuation commensurate with the board of review's proposal is correct.

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.



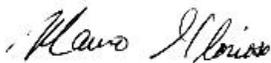
Chairman



Member



Member



Member



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: January 31, 2013



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.