



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

APPELLANT: David E. Ruff Revocable Trust
DOCKET NO.: 10-01216.001-R-1
PARCEL NO.: 15-04-300-037

The parties of record before the Property Tax Appeal Board are David E. Ruff Revocable Trust, the appellant, by attorney Eric L. Terlizzi, in Salem, and the Marion County Board of Review by Special Assistant State's Attorney Christopher E. Sherer of Giffin, Winning, Cohen & Bodewes, P.C., in Springfield.

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

LAND: \$17,730
IMPR.: \$120
TOTAL: \$17,850

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a lakefront parcel of 32,234 square feet of land area that in 2010 was improved with a concrete patio of approximately 140 square feet. The property is located in Centralia, Raccoon Township, Marion County.

The appellant appeared before the Property Tax Appeal Board with legal counsel contending the subject land was overvalued.¹ No dispute was raised regarding the improvement assessment of the concrete patio of \$120.

In support of the land overvaluation argument, the appellant submitted a spreadsheet of four comparable sales. The four comparables are described as being located "adjacent" to the north, "adjacent" to the south, or "to the north" in relationship to the subject parcel. The comparables range in size from 50,530 to 137,882 square feet of land area. The four properties sold between January 1997 and August 2009 for prices ranging from \$30,000 to \$120,000 or from \$0.36 to \$0.87 per square foot of land area. Ruff testified that in his opinion comparables #1, #3

¹ The appellant at hearing presented evidence only regarding market value issues and withdrew the lack of assessment uniformity argument that was also included in the original appeal petition.

and #4 were similar to the subject, but further contended that his comparable #1 was most similar to the subject. The witness further testified to general familiarity with area real estate values and trends. In this regard, he presented an opinion that real estate values in the last couple of years have declined.

Ruff testified that "over the last couple of years" the subject has been on the market "basically at the price of the tax assessment and we have had no offers."

On cross-examination, when asked about his assertion that comparable #1 was most comparable to the subject, Ruff stated that it is the "closest to the subject" by being immediately adjacent to the south. When asked which property was most comparable to the subject, he stated, "You could pick #1, #3 or #4" as they are basically properties within a "stone's throw" of each other; as to the board of review's comparables, Ruff stated they were located all over the lake and may not necessarily be similar to the subject property.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$9,673 which would reflect a market value of approximately \$29,019 or \$0.90 per square foot of land area, including concrete patio.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$17,850 was disclosed. The subject has a land assessment of \$17,730 which reflects a market value of \$52,736 or \$1.64 per square foot of land area when applying the 2010 three year average median level of assessment for Marion County of 33.62% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code §1910.50(c)(1)).

In support of the subject's assessment and in response to the appellant's data, the board of review presented a two-page letter from Patty Brough, Marion County Supervisor of Assessments. Brough was called as a witness at the hearing. As part of the letter, she explained the land valuation methodology that was utilized, noting in pertinent part:

All Centralia Lake properties larger than one acre with lake access were assessed [*sic*] at \$1.60 per square foot for the 1st acre (43,560 sq. ft.),² \$.80/square foot for the next acre, \$.40[per square foot] for the next 3 acres and anything over 5 acres was assessed [*sic*] at \$.20/acre.

² The subject parcel is less than one-acre and has a land assessment of \$17,730 or \$0.55 per square foot of land area, rounded, thus the letter from Brough is actually addressing the assigned 'market value,' not the assessment.

As to the appellant's comparable sales,³ Brough noted that appellant's comparable #2's sale date in January 1997 is not sufficiently proximate in time to be an indicator of "current market prices." Additionally, appellant's comparable #3 was not an arm's length sale, was not a vacant land sale and was a foreclosed property. Appellant's comparable #4 "has very limited lake access compared to others" according to Brough.

The 11 comparable sales presented on behalf of the board of review by Brough include appellant's comparables #1 and #4 which were identified as board of review comparables #2 and #1, respectively. The properties were described as vacant land sales located on Lake Centralia with lake access. Included for support were copies of property record cards. The 11 comparable parcels range in size from 10,019 to 137,650 square feet of land area and the properties sold from January 2006 to September 2009 for prices ranging from \$25,000 to \$125,000 or from \$0.69 to \$6.24 per square foot of land area. In the course of testimony, Brough was asked whether the amount of lake frontage impacted property values to which she testified that the assessments were done by size range which was determined by examining the market. The witness further stated, "We felt like the larger the parcel -- they were actually -- if it had lake access, they were giving the premium prices for it; if it did not have lake access, they were not."

As part of her spreadsheet, Brough also noted that comparable #1 (appellant's comparable #4), which had the lowest per-square-foot sale price, "has very limited lake access compared to all other sales." Brough reported "[t]he median level of the sales is \$1.76 per square foot. The subject property is assessed [*sic*] at \$1.60 per square foot for the 1st acre and \$.80 per square foot for the remaining 10,240 square foot [*sic*]."⁴ Given the "board of review sales comparison study . . . the subject property market value should be in the vicinity of \$1.63 - \$1.91 per square foot." The witness was asked if there was an explanation for the broad range in sales prices per square foot to which she noted that comparable #1 had very limited lake access, "it was just a point," and "the ages of the sales also would be an indication."

Brough testified that of the 11 comparables presented in support of the subject's assessment, she would give more weight to comparable #4 for similarity in size, but also recognized that

³ The appellant's typed spreadsheet not only included the subject parcel with its current PIN, but also identified the 'subject property' with a different PIN and 53,800 square feet of land area along with a sale date of June 2003 for \$57,000. As the board of review's response treated the second reporting of the subject property as appellant's comparable #1, each subsequent discussion of the appellant's data was modified within the board of review's submission to consideration of comparables #2 through #5, instead of #1 through #4 as presented by the appellant. For consistency within this decision, the appellant's comparable number assignments have been retained.

⁴ The Property Tax Appeal Board notes that the subject parcel of 32,234 square feet by definition is less than one-acre in size and therefore, this statement by Brough must be in error.

the sale occurred in 2007; comparable #8 of 20,473 square feet had a more current sale from 2009.

Based on the foregoing evidence, the board of review requested confirmation of the subject's assessment.

On cross-examination, Brough confirmed that the subject's increased assessment was due to a 2009 reassessment of the entire lake. She further reaffirmed that all lake lots were assessed using the formula outlined in her letter where lots of an acre or less were "assessed" at \$1.60 per square foot. "We came up with a median level and then determined an assessment based off of the median level of the sale, we data arrayed all of the sales on the lake; these are just the 11 that we submitted to the Property Tax Appeal Board as our evidence." As a final matter, the witness agreed that she did not have any reason to dispute that the June 2006 sale of the subject property was an arm's length transaction, "but a 2006 sale is not indicative of the 2009 value." She further noted that is three year timeframe "and there were a lot of sales occurring on Lake Centralia which was showing that the values were in fact increasing."

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 Board further finds a reduction in the subject's assessment is not warranted.

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); 86 Ill.Admin.Code §1910.63(e). 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 the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board finds that although the sale of the subject property in June 2006 occurred in excess of three years prior to the assessment date at issue of January 1, 2010, the board of review also submitted information on a comparable sale that occurred in January 2006 (comparable #9), which indicates that the subject's sale date is relevant and probative of market value.

The parties submitted a total of thirteen comparable sales to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to appellant's comparables #1, #2 and #3 due to the substantially larger sizes of these parcels when compared to the subject property. Since all properties were located on Lake Centralia, the Board gave primary consideration to parcel size in analyzing the sales presented by both parties. The Board has given most weight and finds appellant's comparable #4 (which is also board of review

comparable #1) along with board of review comparables #4 and #8 which are the most similar properties to the subject in size. These three properties also sold relatively proximate in time to the assessment date at issue. Due to the similarities to the subject, these comparables received the most weight in the Board's analysis. These three comparables sold for prices ranging from \$35,000 to \$54,000 or from \$0.69 to \$2.64 per square foot of land area. The subject's assessment reflects a market value of \$52,736 or \$1.64 per square foot of land area which is within the range established by the best comparable sales in this record on a per-square foot basis. In addition, giving due consideration to the subject's June 2006 purchase price of \$35,000 or \$1.09 per square foot of land area, the subject's assessment as of January 1, 2010 does not appear to be excessive in light of these more recent most comparable sales located on Lake Centralia.

Based on this record, the Board finds the appellant did not demonstrate by a preponderance of the evidence that the subject was overvalued and a reduction in the subject's assessment is not justified.

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

J. R.

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 18, 2013

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.