FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Ross Prindle
DOCKET NO.: 10-02266.001-R-1
PARCEL NO.: 12-22-131-016

The parties of record before the Property Tax Appeal Board are Ross Prindle, the appellant, by attorney Mitchell L. Klein of Schiller Klein PC, Chicago; and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$34,855
IMPR.:	$44,542
TOTAL:	$79,397

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story multi-family dwelling of frame construction containing 2,300 square feet of gross building area. The building was constructed in 1856. Features of the property include a full unfinished basement, one fireplace and a detached garage. The subject property has three units that range in size from 462 to 1,222 square feet of living area. Two of the units each have one bedroom and one bathroom and the third unit has two bedrooms and two bathrooms. The property has a 15,100 square foot site and is located in Batavia, Batavia Township, Kane County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of $238,000 as of January 1, 2010. The appraisal was prepared by Timothy C. Tonge, a State of Illinois Certified Residential Real Estate Appraiser. In estimating the market value of the subject property the appraiser developed the cost, income and the sales comparison approaches to value.

Under the cost approach the appraiser estimated the subject had a site value of $80,000 based on market extraction and the expertise of the appraiser. The appraiser estimated the replacement cost new of the improvements to be $310,240. Using the age/life method, the appraiser estimated depreciation to be

$155,120 resulting in a depreciated improvement value of $155,120. The appraiser also estimated the site improvements had a value of $5,000. Adding the various components, the appraiser estimated the subject property had an estimated market value of $240,120 under the cost approach to value.

In developing the income approach the appraiser reported the subject units had actual monthly rents of $1,025, $700 and $750, respectively. The report contained three comparable rentals that ranged in size from 1,340 to 2,088 square feet of living area. Each comparable had two units composed of two, one-bedroom units; three, two-bedroom units; and one, three-bedroom unit. The one-bedroom units had rents of $600 and $900 per month, the two bedroom units had rents ranging from $750 to $1,006 per month and the three bedroom unit had a rent of $1,100 per month. Using this data the appraiser estimated the subject's two-bedroom unit would have a market rent of $1,100 per month and the one-bedroom units would have market rents of $650 and $700 per month for a total gross monthly rent of $2,500. Using a gross rent multiplier of 100 developed from the sales comparison approach, the appraiser estimated the subject property had an indicated value under the income approach of $250,000.

Using the sales comparison approach the appraiser provided information on four comparable sales improved with a 1.5-story multi-family dwelling and three two-story multi-family dwellings that ranged in size from 1,638 to 2,288 square feet of living area. Each comparable had two units composed of one, one-bedroom unit; six, two-bedroom units; and one, three-bedroom unit. The dwellings ranged in age from 67 to 130 years. Each comparable has a basement with one having finished area and one comparable had central air conditioning. The comparables have sites ranging in size from 3,500 to 11,250 square feet of land area. The comparables had gross monthly rentals ranging from $850 to $1,900. These properties were located in Batavia, St. Charles and Geneva from approximately .4 to 4.2 miles from the subject property. The comparables sold from August 2009 to October 2009 for prices ranging from $175,000 to $232,000 or from: $76.49 to $134.31 per square foot of gross building area; $87,500 to $116,000 per unit; $14,583 to $25,778 per room; and $43,750 to $77,333 per bedroom, including land. These properties had gross rent multipliers ranging from 122.11 to 205.88. After making adjustments to the comparables for differences from the subject the appraiser estimated the comparables had adjusted prices ranging from $188,000 to $248,020. Based on this data the appraiser estimated the subject property had a value of $93,000 per unit or $279,000; $110 per square foot of gross building area or $253,000; $22,000 per room or $242,000 and $58,000 per bedroom or $232,000. The appraiser estimated the subject had an estimated value under the sales comparison approach of $238,000.

In reconciling the two approaches to value the appraiser gave most weight to the sales comparison approach to value and estimated the subject property had a market value of $238,000 as of January 1, 2010. Based on this evidence, the appellant

requested a reduction in the subject's assessment to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of $96,007 was disclosed. The subject's assessment reflects a market value of $287,791 or $125.13 per square foot of gross building area, $95,930 per unit, $26,163 per room, and $71,948 per bedroom, including land, when applying the 2010 three year average median level of assessment for Kane County of 33.36% as determined by the Illinois Department of Revenue.

The board of review asserted that the four sales used in the appraisal had two-units while the subject had three-units and the comparables had lower gross incomes than the subject property ranging from $850 to $1,900 per month compared to the subject's gross rent of $2,500 per month. The board argued these facts render the appraisal unreliable. The board of review further noted the gross rent multiplier used by the appraiser was 100 while the comparables had gross rent multipliers ranging from 122.11 to 205.88. The board further asserted the value conclusion reached by the appraiser was $79,333 per unit which is below the range established by the sales. It further noted the conclusion of value of $238,000 was above the range established by the sales of $175,000 to $232,000.

The board of review also submitted a grid containing information six comparables, four of which sold. The four comparables that sold were improved with a 1.5-story dwelling and three two-story dwellings that ranged in size from 1,470 to 2,106 square feet of living. The buildings were constructed from 1852 to 1925. The sales occurred from June 2007 to July 2009 for prices ranging from $194,000 to $270,000 or from $118.27 to $134.31 per square foot of building area, land included.

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

In rebuttal the appellant asserted it submitted an appraisal in support of its contention of the market value of the subject property while the board of review submitted no evidence in support of the market value reflected by the assessment. The appellant also asserted the appraiser explained in the report his use of two-unit comparables and the adjustment process.

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 this 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); 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence of market value to be the appraisal of the subject property submitted by the appellant. The appellant's appraiser developed the cost, income and sales comparison approaches to value and gave most weight to the sales comparison approach. The sales utilized by the appraiser were relatively similar to the subject in location, size, style, features, age and use as rental properties. These properties also sold most proximate in time to the assessment date at issue. The appraised value is below the market value reflected by the assessment. The board of review provided information on four sales, however, minimal descriptive information was provided with respect to features, number units (if any) and rental data. Furthermore, three of the sales did not occur proximate in time to the assessment date at issue selling from June 2007 to August 2008. Based on these shortfalls in the evidence, the Board gave little weight to the evidence provided by the board of review. Based on this record the Board finds the subject property had a market value of $238,000 as of January 1, 2010. Since market value has been determined the 2010 three year average median level of assessment for Kane County of 33.36% shall apply. (86 Ill.Admin.Code §1910.50(c)(1)).

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: October 18, 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.