



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

APPELLANT: Richard & Elizabeth Reed
DOCKET NO.: 10-04208.001-C-1
PARCEL NO.: 07-12.0-211-009

The parties of record before the Property Tax Appeal Board are Richard & Elizabeth Reed, the appellants, by attorney Richard G. Reed of Reed & Bruhn, P.C., in Belleville, and the St. Clair County Board of Review.

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 St. Clair County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$32,798
IMPR: \$111,508
TOTAL: \$144,306

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 29-year-old, one-story brick office building that contains 15,921 square feet of building area¹ on a concrete slab foundation with air conditioning. The structure has 15 office suites that vary in size and room count. Most suites have two fixture bathrooms and there are two 5 fixture community bathrooms. The property consists of a 36,155 square foot site including parking that is located in Belleville, Belleville Township, St. Clair County.

The appellants claim overvaluation and/or assessment inequity as the bases of the appeal. In support of this argument, the appellants submitted a brief along with an appraisal updated to January 1, 2008 with an opinion of value no different than the underlying appraisal prepared with a valuation date of January 1, 2005 and an opinion of value of \$395,000 for the subject

¹ The appellants' appraisal report reported 15,921 square feet. The board of review reported a building size of 16,039 square feet as depicted on the subject's property record card. The Property Tax Appeal Board finds that, for purposes of this decision, the relatively minor difference in building size is not relevant to a final determination.

property. The underlying appraisal used both the cost and sales comparison approaches to value. The document submitted to the Property Tax Appeal Board appears incomplete and reflects sales identified as Sale #2, #3, #4, #5, #6 and #7. In the brief, the appellants reported that Sale #6 which sold in March 2005 for \$275,000 "sold in 1985 for \$375,000 . . . (indicating a 1.34% loss in value per year)." The appellants also reported that Sale #4 which sold in May 2003 for \$401,000 "sold in 1987 for \$487,000 . . . (indicating a 1.12% loss in value per year)."

The appellants provided no assessment equity data and thus, this aspect of their appeal will not be further addressed.

As part of the brief, the appellants report that the subject property was the subject matter of Docket No. 09-05546.001-C-1 before the Property Tax Appeal Board wherein the parties stipulated to reduce the subject's total assessment to \$137,044.

The evidence further reveals that the appellants filed this appeal directly to the Property Tax Appeal Board following receipt of the notice of a township equalization factor issued by the board of review. The Belleville Township equalization factor of 1.0378 raised the subject's total assessment from \$139,050 to \$144,306.

In the brief, the appellants argue that there was a reassessment of properties in Belleville Township in 2010 and where "an actual re-assessment [occurs], no multiplier should be applied" since the purpose of a multiplier is to create a balance between over assessed and under assessed properties. The appellants further contend that the Belleville Township multiplier "increased 14.5 percent over last year's multiplier."

Based on the foregoing, the appellants request that the subject's total assessment be reduced to \$139,050 prior to application of the equalization factor. However, and in the alternative, if the decision of the Property Tax Appeal Board "is going to be subject to the State multiplier" then the appellants request a total assessment of \$133,985 "(which if multiplied by the Belleville township factor of 1.0378 brings the total to 139,050)."²

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject property's final equalized assessment of \$144,306 was disclosed. The subject's assessment reflects an estimated market value of \$433,351 or approximately \$27.22 per square foot of building area, including land, using the 2010 three-year median level of assessments for St. Clair County of 33.30% as determined by the Illinois Department of Revenue.

² As published by the Illinois Department of Revenue in Table 3, 2010 Final Equalization Factors, St. Clair County had a final State multiplier of 1.0000.

The board of review noted that the subject property "is on the lower end of assessed values for commercial property in the area." In support of the subject's assessment, the board of review presented a grid analysis of four comparables located in close relatively proximity to the subject. Board of review comparable #4 is the same property as used by the appellants' appraiser identified as Sale #4. The board of review's comparables consist of brick or block office buildings that were built from 1960 to 1978. The buildings range in size from 7,526 to 18,800 square feet of building area and feature air conditioning and parking. The comparables sold between April 2002 and October 2008 for prices ranging from \$310,000 to \$480,000 or from \$25.53 to \$44.09 per square foot of building area, including land.

As the appellants did not provide any assessment equity data, the Board will not further address the assessments of the four comparables presented by the board of review.

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

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. Based upon the evidence submitted, the Board finds that a reduction in the subject's assessment is not supported.

The appellants contend 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). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Admin.Code §1910.65(c). The Board finds the evidence in the record does not support a reduction in the subject's assessment.

The Board gives no weight to the appraiser's purported updated opinion of value of the subject property as of January 1, 2008 of \$395,000 as the revised opinion fails to indicate what sales were considered to arrive at the conclusion. While the one-page letter states that "the undersigned has located comparable sales which are in the immediate area" of the subject, no such comparable sales data was submitted with this appeal to the Property Tax Appeal Board. Similarly, the Board has given no weight to the appellants' arguments regarding two of the sales from the appraisal report which sold in 1985 and 1987 for more than as reported in the appraisal report. The underlying argument presented by the appellants that values in the area are declining as of January 1, 2010, the assessment date at issue, is

not established by presenting sales that occurred in 2003 and 2005, dates too distant in time to be probative of values in 2010.

Likewise, the Board has given no weight to the sales presented by the board of review that occurred in 2002 and 2003 as these sales are too distant from the assessment date of January 1, 2010 to be indicative of market value of the subject property. The only relatively recent sale presented in this record was board of review comparable #3 which sold in October 2008 for \$310,000 or \$41.19 per square foot of building area. This comparable at 7,526 square feet is less than half the size of the subject building. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. Comparable #3 is also only two years newer than the subject building and features both air conditioning and parking like the subject. The subject has an estimated market value of \$433,351 or approximately \$27.22 per square foot of building area, including land, which is substantially less on a per-square-foot basis than the most similar recent comparable sale #3 on this record which sold for \$41.19 per square foot of building area, including land.

Based on a review of the limited market value evidence contained in the record, the Property Tax Appeal Board finds a reduction in the assessment of the subject property is not supported.

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: September 20, 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.