



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

APPELLANT: Timberlake Estates Apartments, L.P.  
DOCKET NO.: 11-01584.001-C-2  
PARCEL NO.: 22-02.0-452-015

The parties of record before the Property Tax Appeal Board are Timberlake Estates Apartments, L.P., the appellant, by attorney Donald LoBue of the Law Offices Donald A. LoBue in Springfield; and the Sangamon 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 **Sangamon** County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND:** \$6,599  
**IMPR.:** \$301,498  
**TOTAL:** \$308,097

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Sangamon County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2011 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

**Findings of Fact**

The subject property is improved with a low-income senior living housing project containing sixty low-income housing units and seven market apartment units. The property is located in Springfield, Capital Township, Sangamon County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a brief and an income approach estimating the subject property had a market value of \$933,627. The appellant's counsel asserted the subject property is a low-income housing project qualifying for the low-income housing tax credit under Section 42 of the Internal Revenue Code. (26 U.S.C. 42). He contends that section 10-235 of the Property Tax Code provides in part that property, "that qualifies for the low-income housing tax credit under Section 42 of the Internal Revenue Code shall be valued at 33 and one-third percent of the fair market value of their economic productivity to the owners of the projects to help insure that their valuation for property taxation does not result in taxes so high that rent levels must be raised to cover this project expense, which can cause excess vacancies, project loan defaults, and eventual loss of rental housing facilities for . . . the elderly." (35 ILCS 200/10-235)

Counsel also noted that section 10-245 of the Property Tax Code provides in part that:

[T]o determine 33 and one-third percent of the fair cash value of any low-income housing project . . . that qualifies for the low-income housing tax credit under Section 42 of the Internal Revenue Code, in assessing the project, local assessment officers must consider the actual or probable net operating income attributable to the property, using a vacancy rate of not more than 5%, capitalized at normal market rates. The interest rate to be used in developing the normal market value capitalization rate shall be one that reflects the prevailing cost of cash for other types of commercial real estate in the geographic market in which the low-income housing project is located. (35 ILCS 200/10-245).

To support the value conclusion, the appellant submitted an income approach to value based on the subject's 2011 operating statement, the subject's 2011 balance sheet, an actual vacancy loss of approximately 1% and a capitalization rate of 11.69% that was recommended by a local banker. The appellant also submitted a copy of the final decision issued by the Sangamon County Board of Review disclosing a final total assessment of \$496,666. The notice indicated the final total assessment reflected a market value of \$1,489,998.

The board of review did not submit its "Board of Review Notes on Appeal" or any evidence in support of its assessed valuation of the subject property.

**Conclusion of Law**

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. 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 only evidence of market value in this record to be the income approach submitted by the appellant which appeared to follow the directives of section 10-245 of the Property Tax Code in estimating the subject property had a market value of \$933,627. The subject's assessment reflects a market value of \$1,489,998, which is above the only evidence of market value in the record. The board of review did not submit any evidence in support of its assessment of the subject property or to refute the appellant's argument as required by section 1910.40(a) of the rules of the Property Tax Appeal Board and is found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code §1910.40(a) & §1910.69(a)). The Board has examined the information submitted by the appellant and finds that it supports a reduction in the assessed valuation of the subject property.

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: June 20, 2014



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.