



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

APPELLANT: Wedad Khedr
DOCKET NO.: 12-00118.001-C-1
PARCEL NO.: 05-22-279-003

The parties of record before the Property Tax Appeal Board are Wedad Khedr, the appellant, by attorney James A. Rodriguez, of Guyer & Enichen in Rockford; and the Boone 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 Boone County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND: \$43,035
IMPR: \$129,479
TOTAL: \$172,514**

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Boone County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2012 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 one-story multi-tenant office building of brick exterior construction that was built in 2007. The building contains 4,950 square feet of office space. The property has a 32,234 square foot site and is located in the

Landmark Crossing Commercial Subdivision in Belvidere, Belvidere Township, Boone County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on five comparable sales. The comparables were built between 1994 and 2005. The parcels range in size from 5,823 to 72,407 square feet of land area. The buildings range in size from 1,608 to 19,200 square feet of building area. The sales occurred between October 2011 and April 2012 for prices ranging from \$70,000 to \$1,650,000 or from \$43.53 to \$85.94 per square foot of building area, including land.

Based on this evidence, the appellant requested a total assessment of \$132,000 which would reflect a market value of approximately \$396,000 or \$80.00 per square foot of building area, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$172,514. The subject's assessment reflects a market value of \$513,282 or \$103.69 per square foot of building area, land included, when using the 2012 three year average median level of assessment for Boone County of 33.61% as determined by the Illinois Department of Revenue.

As to the appellant's evidence, the board of review noted that four of the sales occurred in 2012, after the assessment date at issue of January 1, 2012. Four of the sales are "REO sales from banks." Two sales within Boone County are office condominiums that were unfinished at the time of the sales.

As to the subject property, the board of review noted that the property "was listed for sale at \$850,000" or \$171.72 per square foot of building area, including land. (Exhibit 3) Admittedly the property has not sold, "but this clearly indicates the property owner's expectation of value far more than the current assessment" or the request in this appeal.

In support of its contention of the correct assessment and due to the limited number of sales within Boone County, the board of review submitted information on five comparables sales located up to 3-miles from the subject property. None of these properties are of the same use as the subject, "but could easily be made into office complexes." The comparables consist of one-story buildings that were built between 1954 and 2008. The

buildings range in size from 1,020 to 7,207 square feet of building area. Two comparables have a basement. The properties sold between April 2008 and October 2010 for prices ranging from \$85,000 to \$1,300,000 or from 83.33 to \$375.69 per square foot of building area, including land. Based on this evidence and argument, the board of review requested confirmation of the subject's assessment.

In rebuttal, counsel for the appellant noted that the subject was the first building constructed "in a recently established office park" and "to date" no other buildings have been constructed in the park. While the appellant occupies part of the subject building, the remaining 25% of the building has remained vacant since initial construction. As to the listing of the subject property, counsel argued that the property has been listed since 2009 and not one offer has been received. "The listing price appears to be out of line with the market value."

As to board of review comparable sale #1, this was purchased by a tenant of the building and moreover, the building is a bank. Board of review comparables #2 and #4 sold in 2008 which is not representative of the market as of the assessment date. Board of review sale #3 is a KFC fast food restaurant and comparable #5 is also a restaurant building. Lastly, appellant contends that board of review comparable #2 supports a reduction in the subject's assessment given its sale price of \$84.25 per square foot and the subject's larger building area.

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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

As to the board of review's contention that most of the appellant's sales were "REO" properties, the Property Tax Appeal Board takes notice that Public Act 96-1083 amended the Property Tax Code adding sections 1-23 and 16-183 (35 ILCS 200/1-23 & 16-183), effective July 16, 2010.

Section 1-23 of the Property Tax Code provides:

Compulsory sale. "Compulsory sale" means (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete.

Section 16-183 provides:

Compulsory sales. The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer.

The Board finds the effective date of these statutes is applicable to assessment date at issue, January 1, 2012.

The parties submitted a total of ten improved comparable sales to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to appellant's comparables #1 and #3 as each of these properties is significantly smaller than the subject. Similarly, the Board has given reduced weight to appellant's comparable #2 as this property is significantly larger than the subject building. Additionally, board of review comparables #2, #3 and #4 are not suitable comparables in light of dates of sale, age and/or building size when compared to the subject. Furthermore, as reported by the appellant, board of review comparable #1 was purchased by an existing tenant which without additional information regarding the sale brings into question whether the transaction was of an arm's length nature.

The Board finds the appellant's comparables #4 and #5 along with board of review comparable #5 are the most similar to the subject in size and age.¹ These properties sold from July 2009 to March 2012. Due to the similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold for prices ranging from \$54.02 to \$92.25

¹ The appellant's grid analysis failed to provide other descriptive similarities including proximity, exterior construction and/or foundation.

per square foot of building area, including land. The subject's assessment reflects a market value of \$513,282 or \$103.69 per square foot of building area, including land, which is above the range established by the best comparable sales in this record. The subject's age of 2007 is, however, newer than these three most similar comparables that were constructed from 1980 to 2003. Thus, a higher value for the subject is justified.

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.



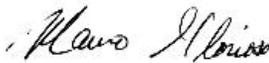
Chairman



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: July 18, 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.