



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

APPELLANT: Security Ventures, Inc.
DOCKET NO.: 12-00339.001-C-2
PARCEL NO.: 23-04-200-003-0060

The parties of record before the Property Tax Appeal Board are Security Ventures, Inc., the appellant, by attorney Gilbert H. Saikley of Saikley, Garrison, Colombo & Barney, LLC in Danville; and the Vermilion 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 **Vermilion** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$33,722
IMPR: \$124,578
TOTAL: \$158,300

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Vermilion 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 consists of a one-story metal clad industrial building with a total building area of 32,500 square feet. The building has approximately 20,000 square feet of warehouse space and 12,500 square feet of office space. The building is approximately 13 years old. The property has a

seven acre site resulting in a land to building ratio of 9.38:1 and is located at 1222 East Voorhees, Danville, Danville Township, Vermilion County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted evidence disclosing the subject property was purchased on April 5, 2012 for a price of \$450,000 or \$13.85 per square foot of building area, including land. The appellant's counsel completed Section IV - Recent Sale Data on the appeal asserting the parties to the transaction were not related; the property was sold by the owner; and the property was advertised for sale for 6 months by "word of mouth and notice to Vermilion Advantage, an organization which promotes and trys (sic) to attract new business." In support of the purchase price the appellant submitted a copy of the settlement statement; a "contract" dated February 7, 2012 in which Security Ventures, Inc. agreed to purchase the former Mettam Safety Supply at 1222 East Voorhees Street in Danville, Illinois from Mettam, Inc. for \$450,000; and an affidavit signed by Nan Mettam, President of Mettam, Inc., stating that from July 1, 2011 to February 7, 2012 she was actively trying to market the subject property and that on February 7, 2012 she agreed to sell the property for \$450,000. The affiant also asserted that she and Paul Offutt of Security Ventures, Inc. have been in business in Danville for more than 20 years and both are familiar with real estate values in Danville. She contends the sale was "an arm's length" transaction between two business people, the seller being under no pressure to sell and the buyer being under no pressure to buy. The appellant requested the subject's assessment be reduced to \$150,000 to reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$249,855. The subject's assessment reflects a market value of \$751,218 or \$23.11 per square foot of building area, land included, when using the 2012 three year average median level of assessment for Vermilion County of 33.26% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales improved with industrial buildings that ranged in size from 19,885 to 89,600 square feet of building area. Comparable #1 was 20 years old, comparable #2 was 18 years old and comparable #3 was built in stages and was part 14 and part 23 years old. The comparables had sites ranging in size from 6.60 to 22.67

acres resulting in land to building ratios ranging from 5.20:1 to 18.94:1. The sales occurred from September 2004 to July 2009 for prices ranging from \$210,311 to \$2,000,000 or from \$10.58 to \$29.26 per square foot of building area, including land. The board of review indicated on its grid analysis that comparable #3 had an allocated price. The board of review contends the subject's assessment is well supported by the recent sales.

The board of review also submitted a copy of the PTAX-203 Illinois Real Estate Transfer Declaration associated with the April 2012 sale of the subject property. The document was signed by Gilbert Saikley, appellant's counsel, on behalf of the buyer/appellant. Question 7 of the PTAX-203 form was answered "No" indicating the property was not advertised for sale. The board of review contends the sale was not an arm's length transaction because the property was not advertised for sale based on the statements on the PTAX-203 Illinois Real Estate Transfer Declaration. The board of review also contends that the February 7, 2012 purchase document contains only one paragraph and argued that if the sale was a true arm's length transaction the contract to purchase would have been completed by an attorney and would have been a complete legal contract that specifically spelled out all conditions pertaining to the acquisition of the property.

The board of review explained that the appellant/purchaser of the property was the builder when the building was constructed for Nan Mettam, President of Mettam Safety Supply Co. The board of review further argued that at the time of transaction the building was vacant and the seller had no income to offset the expenses of the empty building. The board of review contends the seller was not typically motivated given the expenses of having a vacant building and as a result was ready to "unload" the building.

The board of review also stated that the current owner has had a for lease/sale sign in front of the building since the purchase. The board of review stated, "based on word of mouth from an unconfirmed source, the asking price was around \$1,000,000 and it is our understanding that he has told people he has both sold the building and that he has leased the building."

In rebuttal to the board of review, the appellant submitted a copy of a sales contract dated January 31, 2014, disclosing the appellant sold the subject property to Silver Fox Ventures, Inc. for a price of \$475,000. The appellant also submitted a copy of an appraisal of the subject property prepared for Iroquois

Federal Savings and Loan estimating the subject property had a market value of \$500,000 as of January 14, 2014. The appraisal was prepared by Bradley D. Cunningham, an Illinois Certified General Real Estate Appraiser. The intended use of the report was for the client in mortgage financing secured by the subject property. On page 6 of the report the appraiser asserted the sale of the subject recorded on April 3, 2012, from Mettam Safety Supply Company for \$450,000, although it would not be classified as distressed, it is regarded as being discounted somewhat. On January 16, 2014, the appellant's counsel subsequently submitted a settlement statement dated January 15, 2015, indicating a purchase price of \$475,000. The seller was Security Ventures, Inc. and the borrower was identified as Silver Fox Ventures, Inc.

On February 11, 2015, the board of review submitted a copy of PTAX-203 Illinois Real Estate Transfer Declaration associated with the January 2014 sale of the subject property for \$475,000. It again noted that question 7 of the form was answered "No" to the question concerning whether the subject property was advertised for sale. (This seems to contradict an early statement from the board of review that the current owner has had a for lease/sale sign in front of the building since the purchase.) The board of review also submitted a copy of a restricted use appraisal as of January 18, 2012, prepared by Bradley D. Cunningham, estimating the subject property had a market value of \$785,000. A review of the restricted use report indicated that comparable sale #1 was most similar to the subject in location, age, size and land to building ratio. This property sold in April 2008 for a price of \$350,000 or \$11.43 per square foot of building area, including land.

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 record disclosed the subject property has sold twice. The property first sold in April 2012 for a price of \$450,000. The property sold again by contract dated January

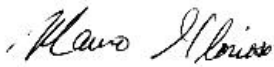
31, 2014 with a settlement date of January 15, 2015 for a price of \$475,000. Although the board of review questioned the arm's length nature of the first transaction, it did assert that the appellant had a for lease/sale sign in front of the building from the time it was purchase, which indicates to this Board that the property was exposed on the market at least for the second sale. The record also contains an appraisal associated with the second sale of the subject property estimating a market value of \$500,000 as of January 14, 2014. The record also has a restricted use report estimating the subject had a market value of \$785,000 as of January 18, 2012. The Board finds that the best sale in the restricted use appraisal was comparable sale #1 which was most similar to the subject in location, age, size and land to building ratio. This property sold in April 2008 for a price of \$350,000 or \$11.43 per square foot of building area, including land. The subject's assessment reflects a market value of \$750,218 or \$23.11 per square foot of living area, including land, which is above the April 2012 purchase price of \$450,000, above the January 2014 purchase price of \$475,000 and above the price of the best comparable sale identified in the restricted use appraisal. Little weight was given board of review comparable sales #1 and #2 as they sold in December 2005 and September 2004, not proximate in time to the assessment date at issue. Board of review sale #3 sold in July 2009 for a price of \$210,311 or \$10.58 per square foot of building area, which supports the appellant's overvaluation argument. Based on this record the Board finds a reduction in the subject's assessment is 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: April 24, 2015



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.