



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

APPELLANT: Ana Sorto
DOCKET NO.: 13-01374.001-R-1
PARCEL NO.: 06-14-330-015

The parties of record before the Property Tax Appeal Board are Ana Sorto, the appellant, by attorney Laura Godek of Laura Moore Godek, PC in McHenry; 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: \$9,426
IMPR.: \$30,574
TOTAL: \$40,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Kane County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2013 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 two-story multi-family dwelling of brick construction with 2,016 square feet of living area. The building was constructed in 1958. Features of the building include two apartments each with 1,008 square feet of living area, a full basement and a two-car garage located in the basement. One of the apartments has three bedrooms and the second apartment has two bedrooms. The property has a site with

approximately 6,420 square feet of land area and is located in Elgin, Elgin Township, Kane County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$100,000 as of January 1, 2013. In estimating the market value the appraiser developed the income approach to value and the sales comparison approach to value.

Under the income approach to value the appraiser identified three rental comparables each improved with two apartments. According to the appraisal the comparables sold from June 2012 to November 2012 for prices ranging from \$100,000 to \$101,000 and had gross rents ranging from \$1,750 to \$2,000 per month resulting in gross rent multipliers ranging from 50.25 to 57.71. The appraiser estimated the subject property had a market rent of \$2,075 per month and a gross rent multiplier of 53.00 resulting in an estimated value of \$109,975.

Under the sales comparison approach the appraiser used three comparable sales that ranged in size from 1,812 to 2,520 square feet of living area and each had two apartments. The buildings ranged in age from 36 to 60 years old. The comparables sold from July 2012 to November 2012 for prices ranging from \$99,900 to \$120,000 or from: \$39.64 to \$63.58 per square foot of building area; \$49,950 to \$60,000 per unit; from \$9,600 to \$12,000 per room; and from \$24,000 to \$28,800 per bedroom. The appraiser also indicated the comparables had monthly gross rents ranging from \$2,825 to \$3,075 and gross rent multipliers ranging from 35.36 to 39.05. Using this data the appraiser estimated the subject had an estimated value of: \$50 per square foot of building area or \$100,800; \$50,000 per unit or \$100,000; \$10,000 per room or \$90,000; and \$22,000 per bedroom or \$110,000. The appraiser concluded the subject had an estimated value under the sales comparison approach of \$100,000.

In reconciling the two approaches to value the appraiser gave most credence to the sales comparison approach and estimated the subject property had a market value of \$100,000.

The appellant also completed Section V - Comparable Sales/Assessment Grid Analysis using five comparable sales. Comparable sales #2 through #4 were used in the appraisal as rental comparables #1 through #3. The comparables ranged in size from 2,182 to 2,520 square feet of building area and each had two units. The buildings ranged in age from 38 to 113 years

old. These properties sold from June 2012 to November 2012 for prices ranging from \$99,900 to \$120,000 or from \$39.64 to \$52.70 per square foot of building area.

Based on this evidence the appellant requested the subject's assessment be reduced to \$33,330.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$42,496. The subject's assessment reflects a market value of \$127,577 or \$63.28 per square foot of building area or \$63,789 per unit, land included, when using the 2013 three year average median level of assessment for Kane County of 33.31% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information provided by the township assessor. In rebuttal the assessor asserted that the appellant's appraiser used all foreclosure sales and two of the comparables were duplexes while the subject has two apartments.

In support of the assessment the assessor provided a chart containing 20 sales that occurred from 2010 through 2013. Assessor comparables #15 and #16 were also used in the appellant's appraisal as rental comparables #1 and #3 as well as comparable sale #2. The comparables sold for prices ranging from \$90,000 to \$160,000 or from \$45,000 to \$80,000 per unit. The assessor indicated these comparables had income multipliers ranging from 5 to 9, rounded. The assessor noted the appellant's appraiser had indicated the subject had a yearly rent of \$23,700. Applying a gross income multiplier of 5.75 resulted in an estimated value of \$136,275.

The appellant's attorney submitted rebuttal evidence noting that the appellant's appraiser stated in the report that 85.5% of all sales of two to four units in the Elgin market area in 2012 were reported as being REO/for short sales or court approved sales. The appellant's attorney also noted that sales #1 through #11 presented by the board of review sold in 2010 in 2011, remote in time from the January 1, 2013 assessment date. Counsel also commented that sales #12, #17 and #18 presented by the board of review had superior attributes compared to the subject property and comparable #13 was not advertised for sale.

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 evidence in the record supports a reduction in the subject's assessment.

The Board finds the best evidence of market value to be the comparable sales #12 through #20 submitted by the board of review, which included two of the sales provided by the appellant's appraiser. These comparables were improved with two-story two-unit apartment buildings that sold from January 2012 to September 2013 for prices ranging from \$99,900 to \$130,000 or from \$49,950 to \$65,000 per unit. Only two of the comparables had prices per apartment that exceeded the market value reflected by the subject's assessment. The comparable that appeared to be most similar to the subject in style and age was board of review sale #19 that sold in August 2013 for a price of \$125,000 or \$62,500 per unit, which is below the market value reflected by the subject's assessment. The Board finds the appraised value presented by the appellant, which resulted in a market value estimate of \$100,000 or \$50,000 per unit, appears low with reference to the best sales presented by the board of review. The Board gave less weight to sales #1 through #11 presented by the board of review as these sales did not occur as proximate in time to the assessment date at issue as the best sales found herein. Based on this evidence, giving most weight to the aforementioned sales submitted by the board of review and less weight to the appellant's appraisal, 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

K. L. Fan

Klaus Albrecht

Member

Member

JR

Jerry White

Member

Acting Member

Robert Steffen

Acting 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: November 20, 2015

A. Proctor

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.