



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

APPELLANT: Donald & Amy Miller
DOCKET NO.: 13-02047.001-R-1
PARCEL NO.: 06-12-402-010

The parties of record before the Property Tax Appeal Board are Donald & Amy Miller, the appellants; 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: \$ 9,714
IMPR.: \$ 6,108
TOTAL: \$15,822

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants 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 consists of a two-story, two-unit multi-family frame dwelling that has 1,980 square feet of living area. The dwelling was constructed in approximately 1910. Features include a partial finished basement and a 472 square foot garage. The subject property has an 8,712 square foot lot. The

subject property is located in Elgin Township, Kane County, Illinois.

The appellants submitted evidence before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellants submitted information pertaining to the subject's recent sale. The appellants' appeal petition indicated the subject property sold in July 2012 for \$47,499. The appellants submitted the Multiple Listing Service (MLS) sheet associated with the sale of the subject property. The MLS sheet indicated the property sold "As-Is" without repair and there was mold present in the dwelling. The sale was between un-related parties and the property was exposed to the open market.

The appellants also submitted eight comparable sales to bolster the overvaluation claim. Based on this evidence, the appellants requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$37,769. The subject's assessment reflects an estimated market value of \$113,386 or \$56,693 per rental unit or \$57.27 per square foot of living area including land when applying the 2013 three-year average median level of assessment for Kane County of 33.31%.

In support of the subject's assessment, the board of review submitted an income approach to value and 20 suggested comparable sales. The evidence was prepared by the Elgin Township Assessor's Office.

The multi-family comparables had varying degrees of similarity when compared to the subject. The comparables sold from January 2010 to September 2013 for prices ranging from \$49,500 to \$160,000 or from \$45,000 to \$80,000 per rental unit including land.

Because the subject is a rental dwelling, the assessor developed the income approach to value using the gross rent multiplier (GRM) methodology. Based on a survey of 20 suggested rental comparables, the assessor estimated the subject property would have a gross annual income of \$22,200. Based on the 20 comparable sales, the assessor extracted a GRM of 5.75. Applying the GRM to the subject's estimated gross annual income, the assessor calculated the subject property had a market value

of \$127,650 or \$63,825 per rental unit under the income approach to value.

With respect to the evidence submitted by the appellants, the assessor argued the comparable sales were short sales or foreclosures with extremely short or long marketing times. The board of review argued the subject's sale was a REO sale. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

The appellants contend 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 appellants met this burden of proof and a reduction in the subject's assessment is warranted.

First, the Board gave little weight to the estimate of value under the income approach prepared by the assessor on behalf of the board of review. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App.3d 207 (1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is other credible market value data available.

The Board finds the best evidence of market value contained in this record is the subject's July 2012 sale for \$47,499 given its as is condition at the time of sale. The Board finds the subject's sale meets the fundamental elements of an arm's-length transaction. The buyer and seller were un-related; the subject property was exposed to the open market; and there is no direct evidence the parties to the transaction were under duress or compelled to buy or sell. The Illinois Supreme Court has defined fair cash value as what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing and able to buy but not forced to do so. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d. 428, (1970). A contemporaneous sale of two parties dealing at arm's-length is not only relevant to the question of fair cash value but is practically conclusive on the issue of whether an assessment is reflective of market value. Korzen v. Belt Railway Co. of

Chicago, 37 Ill.2d 158 (1967). Furthermore, the sale of a property during the tax year in question is a relevant factor in considering the validity of the assessment. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369, 375 (1st Dist. 1983). The subject's assessment reflects an estimated market value of \$113,386, which is considerably more than its recent sale price. The board of review did not present any direct evidence that would demonstrate the subject's sale was not an arm's-length transaction.

The Board further finds the comparable sales submitted by the appellants and the board of review does not overcome the subject's arm's-length sale price as provided by the aforementioned controlling Illinois case law. Additionally, many of the comparable sales submitted by the board of review occurred in 2010 and 2011, which are dated and less reliable indicators of market value as of the subject's January 1, 2013 assessment date.

Based on this analysis, the Board finds the subject property is overvalued and a reduction in its assessment is justified. Since fair market value has been established, Kane County's 2013 three year average median level of assessment of 33.31% shall apply.

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



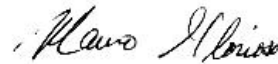
Member



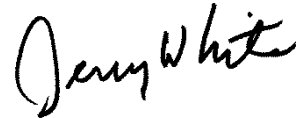
Member



Acting Member



Member



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



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.