



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

APPELLANT: Entrust Group  
DOCKET NO.: 13-02341.001-R-1  
PARCEL NO.: 06-35-276-005

The parties of record before the Property Tax Appeal Board are Entrust Group, the appellant, by Jerri K. Bush, Attorney at Law, in Chicago, 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:** \$10,137  
**IMPR.:** \$8,195  
**TOTAL:** \$18,332

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 consists of a part one-story and part two-story multi-family dwelling of frame construction with 1,493 square feet of living area. The building consists of two apartments and was constructed in 1864. Features of the

building include a partial basement and a fireplace. The property is located in South Elgin, Elgin Township, Kane 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 November 14, 2012 for a price of \$55,000. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold using a Realtor, the property had been advertised on the open market with the Multiple Listing Service and it had been on the market for 145 days. In further support of the transaction the appellant submitted a copy of the Settlement Statement reiterating the purchase price and date; a copy of the Multiple Listing Service data sheet depicting the property was sold as a short sale; and a copy of the Listing & Property History Report depicting the original listing date of December 19, 2011 with an asking price of \$90,000 and a reduced asking price of \$70,000 as of April 30, 2012. Based on this evidence, the appellant requested a reduction in the subject's assessment 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 \$33,900. The subject's assessment reflects a market value of \$101,771 or \$68.17 per square foot of living area, land included, or \$50,885.50 per apartment unit, including land, 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 response to the appeal, the board of review submitted a statement from the Elgin Township Assessor's Office asserting the subject property was purchased in November 2012 as a short sale for cash after being on the market for 145 days. The assessor also contended the subject is an income producing property and no rental information was provided by the appellant.

In support of the subject's assessment, the board of review submitted an income approach to value and 20 suggested comparable sales as 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 \$17,400. 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 \$100,050 or \$50,025 per rental unit under the income approach to value.

Based on this evidence, the board of review requested confirmation of the subject's assessment.

#### **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.

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.

Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50). The Supreme Court of Illinois has construed "fair cash value" to mean 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 between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the 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 (1<sup>st</sup> Dist. 1983).

The Board finds the best evidence of market value to be the purchase of the subject property in November 2012 for a price of \$55,000. The appellant provided evidence demonstrating the sale had the elements of an arm's length transaction. The evidence disclosed the parties to the transaction were not related, the property was sold using a Realtor and the property had been advertised on the open market for 145 days. In further support of the transaction the appellant submitted a copy of the MLS listing sheet for the subject property, a copy of the Settlement Statement and a copy of the Listing & Property History Report. Additionally, the board of review reported the subject's sale as a short sale for cash after having been on the market for 145 days. The Property Tax Appeal Board further finds the purchase price of \$55,000 is below the market value reflected by the assessment of \$101,771.

The board of review also submitted information on twenty comparable sales with varying degrees of similarity to the subject property. The Property Tax Appeal Board finds the comparable sales evidence does not overcome the subject's arm's-length sale price as determined by the aforementioned controlling Illinois case law. Additionally, eleven 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. In conclusion, the Property Tax Appeal Board finds the comparable sales do not refute the appellant's evidence that the subject property sold after being exposed on the open market for 145 days in a transaction involving parties that were not related. Based on this record the Board finds the purchase price from November 2012, two months prior to the assessment date, is the best indication of market value as of January 1, 2013, and a reduction in the subject's assessment commensurate with the appellant's request 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.

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Chairman

*K. L. Fan*

*Klaus Albrecht*

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Member

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Member

*JR*

*Jerry White*

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Member

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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: December 18, 2015

*A. Proctor*

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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.