



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

APPELLANT: Phillip Mazur
DOCKET NO.: 14-00849.001-R-1
PARCEL NO.: 06-03-454-006

The parties of record before the Property Tax Appeal Board are Phillip Mazur, the appellant, and the Kane County Board of Review.

Based on the facts and exhibits presented in this matter, 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: \$17,499
IMPR.: \$53,242
TOTAL: \$70,741

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 2014 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 multi-family townhouse-style apartment building of frame exterior construction with approximately 4,018 square feet of building area.¹ The building consists of four apartment units, each with a first and second floor containing two bedrooms and one bath. The building was constructed in 1971. Features include a concrete slab foundation. The property has a 10,500 square foot site 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 two appraisals of the subject property. In a memorandum, the appellant indicated the appraisals were prepared for a "post rehab cash out refinance," but when the appellant disagreed with the first appraisal, he had a second appraisal completed. As part of the

¹ The appellant's appraisers analyzed the property on an apartment unit basis reporting units of 969 square feet and 983 square feet, respectively. Appraisal #2 includes a detailed schematic drawing that depicts a utility/laundry room on the first floor resulting in a total building size depicted on the schematic of 4,149 square feet of building area.

Residential Appeal petition, the appellant also reported that the subject property was purchased in September 2013 for \$155,549, although the appellant did not base this 2014 tax appeal upon this recent sale of the subject property.² Both appraisers acknowledged the recent sale of the subject property in September 2013 for \$155,549 and separately characterized the sale as a foreclosure and as a distressed sale, respectively. Both appraisers also acknowledged that the subject property has been recently renovated with the second appraiser specifically stating that "approximately \$110,000 has been put into remodeling the property since the purchase in 2013."

Both appraisers relied upon the sales and income approaches to value and then reconciled the two respective conclusions to arrive at a final opinion of value for the subject property. For the sales comparison approach, both appraiser analyzed both sales and listings with five common sales reflected in the two appraisal reports and one common listing reflected in the appraisal reports. Both appraisers reported the identical monthly rental of the subject property of \$4,380 and a gross rent multiplier (GRM) of 50 for identical opinions of the subject's market value under the income approach.

Appraisal #1 was prepared by Sheila A. Krause for a refinance transaction with an estimated market value of \$210,000 as of September 15, 2014. Under the sales comparison approach the appraiser analyzed six sales and three listings of 2 unit to 4 unit apartment buildings. The sales occurred between February and September 2014 and all nine comparables sold or had asking prices ranging from \$44,000 to \$128,950 per unit. Based on an analysis and adjustment of this data, the appraiser for Appraisal #1 estimated the subject had a market value of \$210,000 or \$52,500 per apartment unit, including land. Using the income approach the appraiser estimated the subject had a market value of \$219,000 or \$54,750 per apartment unit, including land. In reconciling the two value approaches, the appraiser arrived at a final estimate of market value of \$210,000.

Appraisal #2 was prepared by Dawn C. Fritz for a refinance transaction with an estimated market value of \$215,000 as of September 24, 2014. Under the sales comparison approach the appraiser analyzed six sales and two listings of 2 unit to 4 unit apartment buildings. The sales occurred between February and September 2014 and all eight comparables sold or had asking prices ranging from \$44,000 to \$105,000 per unit. Based on an analysis and adjustment of this data, the appraiser for Appraisal #2 estimated the subject had a market value of had a market value of \$215,000 or \$53,750 per apartment unit, including land. Using the income approach the appraiser estimated the subject had a market value of \$219,000 or \$54,750 per apartment unit, including land. In reconciling the value approaches, the appraiser arrived at a final estimate of market value of \$215,000.

Based on the foregoing appraisal evidence, the appellant requested a total assessment of \$70,000 which would reflect a market value similar to Appraisal #1 at approximately \$210,021 or \$52.27 per square foot of building area or \$52,505 per apartment unit, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$84,676. The subject's assessment reflects a market value of \$254,359 or \$63.30 per square foot of building area or \$63,590 per apartment unit, land included,

² The assessing officials report the property was purchased as a foreclosure.

when using the 2014 three year average median level of assessment for Kane County of 33.29% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a memorandum prepared by the Elgin Township Assessor's Office along with additional data. The assessor contends that for tax year 2013, the appellant appealed the assessment based upon the condition of the property at the time of purchase. The parties to the 2013 tax year appeal came to an agreement to assess the property for \$69,993 "for one year only." A copy of the stipulation for tax year 2013 was included with the materials. The subject property was revalued by the assessor for tax year 2014.

In support of its contention of the correct assessment the board of review through the township assessor submitted two rental summaries of the subject from MRED indicating that market rent is \$1,095. The memorandum asserted that using a GIM of 6 indicates a FCV of \$315,360 (1,094 [sic] x 4 x 12 x 6). "There have not been any sale[s] of townhome style apartments in the past two years."

Additionally, the township assessor submitted a sale chart of 6 to 12 unit buildings. The assessor contends that these typically are one level apartments and are smaller in size. The submitted chart presented seven comparable properties, six of which are 6 to 12 unit buildings and one comparable has 3 to 6 unit buildings. The comparables were built between 1964 and 1985 and range in size from 11,326 to 46,174 square feet of building area. Two of the comparables have 10 and 12 car garages. The properties sold between February 2012 and June 2014 for prices ranging from \$360,000 to \$975,000 or from \$54,166 to \$69,583 per unit, including land.

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

Conclusion of Law

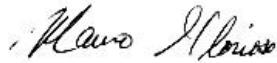
The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist 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.

The appellant submitted two appraisals with slight variations in the opinions of the subject's estimated market value as of the assessment date and the board of review submitted data on seven comparable sales. The Board has given little weight to board of review comparable sales #2, #3, #5, #6 and #7 as these comparables sold too remote in time to the assessment date at issue, have amenities such as garages which are not a feature of the subject property and/or are substantially larger than the subject property in total building area.

The Board finds the best evidence of market value to be the appraisals submitted by the appellant which are further supported by board of review comparable sales #1 and #4. The appraisals have final value opinions of \$52,500 and \$53,750 per apartment unit, including land. Board of review comparable sales #1 and #4 sold in August and October 2013 for prices of \$57,000 and \$60,000

per apartment unit, including land, although each of these comparables are six unit buildings, not four units like the subject property. The subject's assessment reflects a market value of \$254,359 or \$63,590 per apartment unit, including land, which is above each of the appraised values and also above the best somewhat similar comparable sales in the record. On this record, the Board finds the subject property is overvalued and a reduction in the subject's assessment is warranted.

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



Acting Member

DISSENTING: _____

CERTIFICATION

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: August 19, 2016



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.