



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

APPELLANT: Aminul Karim
DOCKET NO.: 14-02402.001-R-1
PARCEL NO.: 06-24-152-003

The parties of record before the Property Tax Appeal Board are Aminul Karim, the appellant,¹ and the Kane County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** 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: \$8,330
IMPR.: \$25,592
TOTAL: \$33,922

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 dwelling of frame construction with 1,756 square feet of living area. The two-unit apartment building was constructed in 1900 and features a full unfinished basement. The property has a 10,230 square foot site and is located in 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 May 10, 2013 for a price of \$68,900. The appellant disclosed the subject property was purchased from the Federal National Mortgage Association (Fannie Mae) out of foreclosure and the parties were not related. The appellant also indicated the property was sold through a Realtor, the property was listed in the Multiple Listing Service (MLS) and the property had been advertised for sale for 42 days. To document the sale the appellant submitted a copy of the Settlement Statement (HUD-1) which

¹ Attorney Jerri K. Bush withdrew her appearance as counsel by a filing dated March 16, 2016.

depicted the payment of brokers' fees to two entities, a copy of the MLS listing of the subject property which described the property as being available for cash financing and being REO/Lender Owned, Pre-Foreclosure, and a copy of the Listing & Property History Report. The listing report not only reflects the listing in March 2013 that resulted in the sale of the subject after 42 days on the market, but also depicts the property was again placed on the market on August 6, 2013 for a period of 198 days with an initial asking price of \$159,100 and then again placed on the market in April 2014 for a period of 88 days with an initial asking price of \$169,900.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the May 2013 purchase price of \$68,900.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$33,922. The subject's assessment reflects a market value of \$101,898 or \$58.03 per square foot of living area or \$50,949 per apartment unit, land included, 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 appellant's evidence, the board of review through the township assessor acknowledged that the subject property was purchased in May 2013 as a foreclosure that was contracted in 42 days which sold for cash in as-is condition. Furthermore, the subject was described as having two units, each with two-bedrooms with one bath.

In support of its contention of the correct assessment the board of review submitted information from the Elgin Township Assessor on six sales of multi-family dwellings with either two or three units that sold from June 2013 to April 2014. These comparables sold for prices ranging from \$125,000 to \$137,000 or from \$45,667 to \$66,250 per unit. Using these sales the assessor calculated gross rent multipliers (GRM) of 6 or 7, rounded. The assessor also submitted a rental comparable chart using 23 comparables that had unit rents ranging from \$510 to \$1,275 per month. The assessor estimated the subject property would have an annual rent of \$18,000. Applying a GRM of 6 resulted in an estimated value of \$108,000. The assessor argued that the subject's assessment reflects a market value below the sales and the GRM calculation.

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

In written rebuttal, former counsel for the appellant argued that the sale of the subject was an arm's length transaction indicative of its market value. The board of review failed to provide information on the proximity of its comparables to the subject and should thus be given diminished weight. As to the board of review's income analysis, case precedent prefers credible market sales data over a cost approach or an income approach to value.

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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant provided evidence that the subject property was purchased in May 2013 out of foreclosure for a price of \$68,900 or \$34,450 per unit or \$39.24 per square foot of living area, including land. Although the parties to the transaction were not related and the property was exposed on the open market for 42 days, the Board finds the sales data provided by the board of review calls into question whether the purchase price was indicative of fair cash value. The Board also gave lesser weight to the subject's sale due to the fact the sale did not occur as proximate in time to the assessment date at issue as did the comparable sales that were presented in the record.

The board of review submitted information on six comparable sales, however, comparables #1 through #5 sold most proximate in time to the assessment date from June 2013 to April 2014 and were each two-unit apartment buildings. Board of review comparable #6 was a three-unit building and thus given little weight in the Board's analysis. These five comparables ranged in size from 1,647 to 2,584 square feet of living area. The buildings were constructed from 1880 to 1959 and sold for prices ranging from \$125,000 to \$132,500 or from \$62,500 to \$66,250 per unit or from \$48.37 to \$75.90 per square foot of living area, including land. The subject's purchase price is significantly below these sales calling into question the validity of the sale as being representative of the property's fair cash value. The subject's assessment reflects a market value of \$101,898 or \$50,949 per apartment unit or \$58.03 per square foot of living area, land included, which is particularly well-supported by board of review comparable sales #4 and #5. These two sales are most similar to the subject in size and bracket the assessment date at issue of January 1, 2014; these two properties sold for \$125,000 and \$132,500 or for \$62,500 and \$66,250 per unit or for \$69.23 and \$75.90 per square foot of living area, land included, which is still more than the subject's estimated market value based on its assessment in terms of overall value, on a per unit basis and on a per-square-foot basis.

Furthermore, reviewing the additional data submitted by the appellant in the Listing & Property History Report, the subject property as of January 2014 was being marketed with an asking price of \$169,900 which further indicates that the subject property's estimated market value as reflected in its assessment is reasonable.

Based on this record, the Board finds the appellant failed to establish by a preponderance of the evidence that the subject property was overvalued and the Board finds that a reduction in the subject's assessment is not 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



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: January 27, 2017



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.