



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

APPELLANT: Timothy Ramseyer & Patrick Koziol
DOCKET NO.: 14-02531.001-R-1
PARCEL NO.: 06-13-105-002

The parties of record before the Property Tax Appeal Board are Timothy Ramseyer & Patrick Koziol, the appellants, 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: \$2,676
IMPR.: \$7,990
TOTAL: \$10,666**

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 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 dwelling of frame construction with 1,698 square feet of living area. The dwelling was constructed in 1880. Features of the home include a full unfinished basement. The property has a 2,178 square foot site and is located in Elgin, Elgin Township, Kane County.

The appellants' appeal is based on overvaluation. In support of this argument the appellants submitted evidence disclosing the subject property was purchased on July 31, 2013 for a price of \$32,000. The appellants 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 was on the market for 143 days. In further support of the transaction the appellants submitted a copy of the Settlement Statement reiterating the purchase price and date; a copy of the Multiple Listing Service data sheet depicting that the home was sold as-is for cash and was an REO/Lender owned, Pre-foreclosure; and a copy of the Listing & Property History Report depicting the original listing date of February 19, 2013 with an asking price of \$36,000 and a new asking price of \$28,000 as of June 14, 2013. Based on this evidence, the appellants 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 \$27,238. The subject's assessment reflects a market value of \$81,722 or \$48.13 per square foot of living area, land included, when using the statutory level of assessment of 33.33%.

In support of the subject's assessment, the board of review submitted an income approach to value and six suggested comparable sales along with a memorandum which data was all prepared by the Elgin Township Assessor's Office.

The comparables had varying degrees of similarity when compared to the subject and were located from .35 of a mile to 1.37-miles from the subject property. The comparables were described as a two-story and five, part one-story and part two-story dwellings of frame construction. The homes were built between 1882 and 1920 and range in size from 1,304 to 1,660 square feet of living area. Each comparables has a basement and five comparables have a garage ranging in size from 216 to 640 square feet of building area. These comparables sold from January to December 2013 for prices ranging from \$84,000 to \$145,000 or from \$54 to \$91 per square foot of living area, including land, rounded.

Because the appellant owns multiple parcels in the township, there is no homestead exemption on the property and the tax bill is being sent to an alternate address, the assessor asserted it was reasonable to assume the subject is a rental property. Therefore, the assessor developed the income approach to value

using the gross rent multiplier (GRM) methodology. By extracting a GRM from six single family comparables, the assessor estimated the subject property would have a gross annual income of \$14,400. Based on the six comparable sales, the assessor extracted a GRM of 8. Applying the GRM to the subject's estimated gross annual income, the assessor calculated the subject property had a market value of \$115,200 under the income approach to value.

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

In written rebuttal, counsel for the appellants reiterated that the basis of this appeal was the recent sale of the subject property. Counsel contends that the subject's purchase was an arm's length transaction which has not been disputed by the board of review's evidence.

Moreover, as to the income approach to value, the appellants through counsel argue the analysis should be given no weight in light of existing case law finding that greater weight should be placed on comparable sales data when such evidence is available.

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. Additionally, the Board gave little weight in its analysis to the six single family sales that were used by the assessor to develop the GRM data as the dwellings differed in size and/or age when compared to the subject dwelling.

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 (1st Dist. 1983).

The Board finds the best evidence of market value to be the purchase of the subject property in July 2013 for a price of \$32,000. The appellants 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 143 days. In further support of the transaction the appellants 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 foreclosure for cash sold as-is for \$32,000 after being on the market for 143 days as set forth in the grid analysis. The Property Tax Appeal Board further finds the purchase price of \$32,000 is below the market value reflected by the assessment of \$81,722.

The board of review submitted information on six comparable sales with varying degrees of similarity to the subject property. Five of the comparables were superior to the subject by having a garage which is not a feature of the subject property. Moreover, the Board finds the sales presented by the board of review do not refute the appellants' evidence that the subject property sold after being exposed on the open market for 143 days in a transaction involving parties that were not

related. Based on this record the Board finds the purchase price in July 2013 is the best indication of market value as of January 1, 2013, and reduction in the subject's assessment commensurate with the appellants' 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.

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: December 18, 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.