



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

APPELLANT: Patrick Koziol & Timothy Ramseyer
DOCKET NO.: 14-02585.001-R-1
PARCEL NO.: 06-13-180-003

The parties of record before the Property Tax Appeal Board are Patrick Koziol & Timothy Ramseyer, 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: \$5,804
IMPR.: \$5,862
TOTAL: \$11,666

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 part one-story and part-story multi-family dwelling of frame construction with 1,468 square feet of living area. The dwelling was constructed in 1900 and consists of three apartment units. Features of the building include a partial unfinished basement. The property has a 2,650

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 January 4, 2013 for a price of \$35,000. 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 16 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 property was sold for cash and "needs work" sold as-is; and a copy of the Listing & Property History Report depicting the listing date of November 27, 2012 with an asking price of \$43,900. 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 \$29,953. The subject's assessment reflects a market value of \$89,976 or \$61.29 per square foot of living area, land included, or \$29,992 per apartment unit, including land, 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 through the township assessor submitted a memorandum noting the subject was purchased for cash after being marketed for 16 days in as-is condition.

In support of the subject's assessment, the board of review submitted an income approach to value with six sales of 2 and 3 unit buildings 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 June 2013 to April 2014 for prices ranging from \$125,000 to \$137,000 or from \$45,667 to \$64,000 per rental unit, including land.

Because the subject is a rental dwelling, the assessor developed the income approach to value using the gross income multiplier (GIM) methodology. Based on six suggested rental comparables,

the assessor estimated the subject property would have a gross annual income of \$22,200. Based on the six comparable sales, the assessor extracted a GIM of 6. Applying the GIM to the subject's estimated gross annual income, the assessor calculated the subject property had a market value of \$133,200 or \$44,400 per rental unit 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. Additionally, counsel argued that the board of review's comparables did not indicate proximity to the subject property.

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 gave little weight in its analysis to the six 2 and 3 unit sales that were used by the assessor to develop the GIM data as the dwellings were larger and/or newer than the subject.

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 January 2013 for a price of \$35,000. 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 16 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 cash sale after having been on the market for 16 days.

In conclusion, the Board finds the best market value evidence consists of the sale of the subject which occurred in January 2013 for a price of \$35,000, including land. The subject's assessment reflects a market value of \$89,976, including land, which is substantially higher than the subject's recent purchase price. Based on this record the Board finds the purchase price from January 2013 is the best indication of market value as of January 1, 2014, and a reduction in the subject's assessment commensurate with the appellants' request is justified.

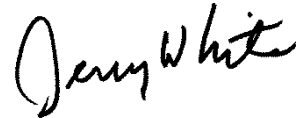
This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.

Chairman



Member

Member



Member

Acting 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: January 22, 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.