



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

APPELLANT: Joseph Marino
DOCKET NO.: 14-02656.001-R-1
PARCEL NO.: 12-31-376-022

The parties of record before the Property Tax Appeal Board are Joseph Marino, the appellant, by attorney Katherine Amari O'Dell of Amari & Locallo in Chicago; and the Winnebago 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 **Winnebago** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$8,154
IMPR.: \$51,846
TOTAL: \$60,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Winnebago 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 is improved with a two-story apartment building of frame and brick construction with 6,402 square feet of building area. The building was constructed in 1980. Features of the building include six two-bedroom apartments and a full basement. The property has a 17,401-square foot site and is located in Rockford, Rockford Township, Winnebago County.

The appellant contends both overvaluation and assessment inequity as the bases of the appeal. In support of these arguments the appellant submitted information on three comparables improved with two, 1-story buildings and one, 2-story building that range in size from 3,000 to 5,700 square feet of building area. The buildings range in age from 49 to 89 years old. The comparables have four or six apartments. The appellant indicated the comparables sold from May 2011 to December 2013 for prices ranging from \$43,000 to \$163,000 or from \$14.33 to

\$28.60 per square foot of building area or from \$7,167 to \$27,167 per apartment. The appellant also reported the comparables had improvement assessments ranging from \$11,458 to \$33,552 or from \$3.82 to \$7.41 per square foot of building area. Using an average sales price per apartment of \$18,611 the appellant requested the subject's assessment be reduced to \$37,222. Using an average sales price per square foot of building area of \$21.84 the appellant requested the subject's assessment be reduced to \$46,607. Using the average improvement assessment of \$5.71 per square foot of building area the appellant requested the subject's total assessment be reduced to \$44,709.

As a final point the appellant contends that the subject property was 33% vacant for the entire 2014 tax year. The appellant requested that an occupancy factor of 67% be applied to the subject's improvement assessment resulting in a revised improvement assessment of \$42,110 and a total assessment of \$50,264.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$71,004. The subject's assessment reflects a market value of \$213,033 or \$33.28 per square foot of building area and \$35,506 per apartment, land included, when using the 2014 three-year average median level of assessment for Winnebago County of 33.33% as determined by the Illinois Department of Revenue. The subject property has an improvement assessment of \$62,850 or \$9.82 per square foot of building area or \$10,475 per apartment.

In support of its contention of the correct assessment the board of review submitted information on four equity comparables identified by the deputy township assessor. The comparables are improved with apartment buildings that range in size from 5,050 to 7,076 square feet of building area. The buildings were constructed from 1964 to 1980. Each comparable has six apartments. According to the analysis the comparables have improvement assessments ranging from \$6.58 to \$9.82 per square foot of building area. The deputy assessor also indicated the comparables have improvement assessments reflecting market values ranging from \$99,615 to \$188,544 or from \$16,603 to \$31,424 per apartment. The deputy assessor indicated the subject's improvement assessment reflects a market value of \$188,545 or \$31,424 per apartment. In the analysis, the deputy assessor pointed out that the subject property was most similar to comparable #1, which has an equivalent total assessment as the subject property. Nevertheless, the deputy assessor was of the opinion the subject property should be considered for a value reduction from an equity standpoint.

With respect to the market value argument, the board of review provided four comparable sales identified by the deputy assessor that were improved with apartment buildings of brick or masonry and frame construction that ranged in size from 3,444 to 7,076 square feet of building area. The comparables were built from 1962 to 1987. The comparables have from 4 to 8 apartments and three have basements. The sales occurred from June 2011 to May 2014 for prices ranging from \$113,000 to \$200,000 or from \$27.04 to \$32.81 per square foot of building area or from \$22,500 to \$33,333 per apartment, including land. Using these sales, the deputy assessor was of the opinion the subject property had an estimated market value of \$30,000 per unit or \$180,000 and \$28.00 per square foot of building area or \$179,000. Giving most weight to the sales price per apartment, the deputy assessor was of the opinion the subject property had a market value of \$180,000.

The deputy assessor also developed an income approach to value arriving at a market value of \$210,884.

Based on this evidence, the deputy assessor recommended reducing the subject's total assessment to \$63,333.

Conclusion of Law

The appellant contends in part 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 evidence in the record supports a reduction to the subject's assessment.

The Board finds the best evidence of market value to be the comparable sales submitted by the board of review. The board of review comparables sold for prices ranging from \$113,000 to \$200,000 or from \$27.04 to \$32.81 per square foot of building area or from \$22,500 to \$33,333 per apartment. The subject's assessment reflects a market value of \$213,033 or \$33.28 per square foot of building area and \$35,506 per apartment, land included, which is above the range established by the best comparable sales in this record. Less weight was given the appellant's comparables due to differences from the subject property in age and/or style. Based on this evidence the Board finds a reduction in the subject's assessment is justified to reflect a market value of \$180,000.

The appellant also argued assessment inequity as an alternative basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). After considering the reduction to the subject's assessment based on overvaluation, the Board finds a further reduction in the subject's assessment based on assessment inequity is not warranted.

The Board gives no weight to the appellant's vacancy argument based on the subject property's actual vacancy in 2014. Vacancy issues are typically considered when developing an income approach to value. The vacancy rate used to adjust potential gross income in the income approach to value is to be market derived, that is based on market research, and will not necessarily reflect a property's actual rental history. Additionally, the market value finding herein takes into consideration market forces at play, including apartment building vacancy.

In conclusion, the Board finds a reduction in the subject's assessment is appropriate.

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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



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: October 16, 2018



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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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