



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

APPELLANT: DJ Properties
DOCKET NO.: 14-02770.001-C-1
PARCEL NO.: 16-04-202-001

The parties of record before the Property Tax Appeal Board are DJ Properties, the appellant, by attorney James E. Tuneberg of Guyer & Enichen in Rockford; 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: \$66,243
IMPR.: \$92,090
TOTAL: \$158,333

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 one-story commercial building of frame and brick construction with 4,483 square feet of building area. The building was constructed in 2000 and is used as a Culver's Restaurant. The property has a 60,526 square foot site, resulting in a land to building ratio of 13.50:1, and is located in Rockford, Cherry Valley Township, Winnebago County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on five comparable sales improved with one-story commercial buildings used as restaurants that range in size from 4,302 to 12,850 square feet of building area. The buildings were constructed from 1975 to 2003. The comparables have sites ranging in size from 43,560 to 137,125 square feet of land area. The comparables have land to building ratios ranging from 6.56:1 to 17.29:1. The sales occurred from September 2013 to June 2014 for prices

ranging from \$300,000 to \$550,000 or from \$42.80 to \$92.98 per square foot of building area, including land. The appellant's analysis included an implied price for the building improvements that was calculated by subtracting the assessor's land value for the year of the sale from the sale price of each comparable and dividing the difference by the property's building square footage. The implied prices ranged from \$14.52 to \$63.19 per square foot of building area. The appellant asserted that the subject building is in superior condition in relation to the comparable sales. Using this data the appellant requested the subject's total assessment be reduced to \$158,333, which reflects a market value of \$475,047 or \$105.96 per square foot of building area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$185,756. The subject's assessment reflects a market value of \$557,323 or \$124.32 per square foot of living area, 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.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales identified by the township assessor that were improved with one-story commercial buildings used as fast food restaurants that ranged in size from 2,148 to 4,470 square feet of building area. The buildings were constructed from 1988 to 2007. The comparables had sites ranging in size from 31,564 to 100,006 resulting in land to building ratios ranging from 9.86:1 to 46.56:1. The sales occurred from September 2011 to December 2012 for prices ranging from \$409,900 to \$1,230,000 or from \$87.12 to \$243.61 per square foot of building area, including land.

In rebuttal, the assessor asserted that each of the appellant's sales was a sit-down restaurant with only comparable #5 being similar in size to the subject property. The assessor also asserted that appellant's sale #2 was composed of three parcels which included an 8,656 square foot sit-down restaurant and an additional retail store with 4,194 square feet of building area (the total building area was 12,850 square feet, which was utilized by the appellant in its analysis).

In rebuttal, the appellant asserted that board of review sale #1 was remodeled and leased to a national chain (Hardee's) and sold to an investor. The appellant asserted that board of review sale #2 sold out of foreclosure after the franchisee lost the property and was sold to Taco Johns International, Inc., the franchiser, and is vacant. The appellant also asserted that board of review sale #3 was also purchased by Taco Johns International, Inc., out of foreclosure.

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 Board finds the best evidence of market value to be the comparable sales presented by the appellant. These comparables were improved with commercial buildings which were used as

restaurants with the exception that comparable sale #2 also had an additional retail building. The comparables had varying degrees of similarity to the subject property and the appellant asserted that the subject building was in superior condition in relation to the comparable sales. These properties sold from September 2013 to June 2014 for prices ranging from \$300,000 to \$550,000 or from \$42.80 to \$92.98 per square foot of building area, including land. The subject's assessment reflects a market value of \$557,323 or \$124.32 per square foot of living area, including land, which is above the range established by the best comparable sales in this record. The appellant requested the subject's assessment be reduced to \$158,333, which reflects a market value of \$475,047 or \$105.96 per square foot of building area, including land. This request appears justified considering differences in building size and condition. The Board gave little weight to the sales provided by the board of review due to the fact the sales did not occur proximate in time to the assessment date, two were reported to have sold out of foreclosure and one comparable was leased to a national chain at the time of sale. Based on this evidence the Board finds a reduction in the subject's assessment 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

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: February 24, 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.