



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

APPELLANT: First Choice Rentals, LLC
DOCKET NO.: 15-01047.001-R-1
PARCEL NO.: 05-32-201-021

The parties of record before the Property Tax Appeal Board are First Choice Rentals, LLC, the appellant; and the Ogle 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 **Ogle** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$9,575
IMPR.: \$45,986
TOTAL: \$55,561

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Ogle County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2015 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 one-story masonry constructed apartment building with 2,736 square feet of building area.¹ The building is approximately 32 years old. Features of the property include four 1-bedroom apartments, a slab foundation, one bathroom per unit and a detached 5-car garage with 1,800 square feet of building area. The property has an 18,900-square foot site and is located in Byron, Byron Township, Ogle County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$122,000 as of July 25, 2014. The appraisal was prepared by John R. Bartlett, Associate Real Estate Trainee Appraiser. Bartlett was supervised by Kenneth J. Mrozek, Jr., Certified General Real

¹ Although the appellant's appraisal states in the two approaches to value the subject building has 2,645 square feet of living area, the building sketch provided by the appraiser depicts the building as measuring 76 feet by 36 feet for a total building area of 2,736 square feet.

Estate Appraiser. The report indicated that the property rights appraised were the leased fee interest. The purpose of the assignment type was a refinance transaction and the client was identified as the Stillman Bank. In estimating the market value of the subject property, the appraiser developed the income approach to value and the sales comparison approach to value.

Under the sales comparison approach the appraiser identified four sales and one listing located in Loves Park, Rockford and Byron improved with one, three-unit and four, four-unit apartment buildings that ranged in size from 2,295 to 3,600 square feet of building area. The buildings ranged in age from 30 to 86 years old. Three of the comparables had basements, one comparable had a detached four-car garage, two comparables had four one-bedroom units, one comparable had four two-bedroom units, and two comparables had a combination of one-bedroom and two-bedroom units. The four sales occurred from December 2012 to June 2014 for prices ranging from \$105,000 to \$152,000 or from \$32.78 to \$66.23 per square foot of building area, including land. The listing had a price of \$219,999 or \$57.89 per square foot of building area, including land. The appraiser indicated the comparables had gross rent multipliers ranging from 53.64 to 98.06. The appraiser adjusted the comparables for differences from the subject property and for comparable #4 being a listing to arrive at adjusted prices ranging from \$114,800 to \$166,500. The adjusted prices ranged from \$28,700 to \$55,500 per unit; from \$15,136 per room, and from \$18,600 to \$33,300 per bedroom. Based on this analysis the appraiser estimated the subject property had a value of \$31,000 per unit or \$124,000; \$45.00 per square foot of building area or \$119,025; \$10,000 per room or \$120,000; and \$29,000 per bedroom or \$116,000. The appraiser arrived at an estimated market value using the sales comparison approach of \$122,000.

Using the income approach, the appraiser identified three comparable rentals located in Byron, Loves Park and Rockford. The comparables ranged in size from 2,295 to 3,336 square feet of building area and in age from 32 to 42 years old. The comparables had three or four apartments. The one-bedroom units had rents of \$450 and \$510 per month. The two-bedroom units had rents ranging from \$525 to \$640 per month. The subject property has actual rents ranging from \$450 to \$525 per month. The appraiser estimated the subject property to have a market rent of \$500 per month per apartment for a monthly rental of \$2,000. The appraiser also stated other income included \$20 per month for the coined laundry and \$25 per month for the 5th detached garage. Using a monthly gross income of \$2,045 and a gross rent multiplier of 60 taken from the sales comparison approach the appraiser arrived at an estimated value of \$122,700.

In reconciling the two approaches to value the appraiser gave both approaches relatively equal weight and arrived at an estimated market value of \$122,000 as of July 25, 2014. Based on this record the appellant requested the subject's assessment be reduced to \$40,673.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$55,561. The subject's assessment reflects a market value of \$166,151 or \$60.73 per square foot of living area and \$41,537 per unit, land included, when using the 2015 three year average median level of assessment for Ogle County of 33.44% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted evidence and a narrative signed by the Byron Township Assessor and the Ogle County Supervisor of Assessments. Initially the assessor provided three equity comparables similar to the subject

property with the exception none had a detached garage as does the subject property. These properties have improvement assessments of \$41,112 and \$42,689 or \$15.60 and \$16.31 per square foot of building area. The subject property has an improvement assessment of \$45,986 or \$16.81 per square foot of building area.

To further support the assessment the assessor submitted an appraisal of another property that was similar to the subject property in which the appraiser arrived at a market value estimate of \$155,000 as of September 10, 2014.

The township assessor also provided six comparable sales located in Byron that were improved with one-story or split-level three or four-unit apartment buildings that ranged in size from 1,872 to 4,032 square feet of building area. The township assessor reported that five of the buildings were constructed from 1982 to 1992. The sales occurred from January 2013 to June 2015 for prices ranging from \$150,000 to \$305,000 or from \$65.36 to \$129.27 per square foot of building area or from \$44,250 to \$76,250 per unit. Board of review sale #1 was the same property as appellant's appraiser's sale #5, although they differed slightly on the date of sale and price.

In conclusion the assessor and supervisor of assessments contend that a more appropriate value for the subject property would be at least \$44,500 per unit, and probably \$50,000 per unit, resulting in a market value of \$177,000 to \$200,000 for an assessed value of \$59,000 to \$66,670.

In rebuttal the appellant asserted that his appraiser used two sales from Byron and further noted that sale #6 used by the board of review had ten bedrooms while the subject only has four bedrooms.

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.

In support of their respective arguments the appellant submitted an appraisal while the board of review is relying on comparable sales located in Byron. The Board finds the best evidence of market value to be the sales of apartment buildings located in Byron as well as the listing located in Byron, which include appraisal comparable sales #4 and #5 as well as board of review comparables #1 through #5. These comparables sold or had a listing price ranging from \$150,000 to \$219,999 or from \$57.89 to \$129.27 per square foot of building area and from \$44,250 to \$60,500 per unit, land included. The subject's assessment reflects a market value of \$166,151 or \$60.73 per square foot of living area and \$41,537 per unit, land included, which is within the overall price range and range per square foot of building area, but below the range on a per unit basis. Based on this record the Board finds the subject's assessment is reflective of the property's market value.

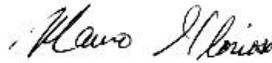
Less weight was given appellant's appraiser's comparable sales #1, #2 and #3 due to their distant location from the subject property in Loves Park and Rockford. The Board gave less weight to board of review sale #6 due to its larger size and more bedrooms when compared to the subject building.

The Board gave less weight to the appellant's appraiser's income approach to value based on the fact that the two appraisal comparables located in Byron had gross rent multipliers of 90.53 and 98.06, yet the appraiser used a gross rent multiplier of 60, which is low considering the Byron comparables.

The Board gave little weight to the equity comparables provided by the board of review as these did not address the appellant's overvaluation argument. The Board gave little weight to the appraisal provided by the board of review as this was for another property.

In conclusion, based on this evidence the Board finds the assessment of the subject property as established by the board of review is correct and a reduction 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. 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: July 17, 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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APPELLANT

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COUNTY

Ogle County Board of Review
Ogle County Courthouse
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