



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

APPELLANT: Austin Holdings c/o Timothy Ramseyer & Patrick Koziol
DOCKET NO.: 15-01660.001-R-1
PARCEL NO.: 06-13-180-003

The parties of record before the Property Tax Appeal Board are Austin Holdings c/o Timothy Ramseyer & Patrick Koziol, the appellants, by Jessica Hill-Magiera, Attorney at Law in Lake Zurich; and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$5,877
IMPR.: \$21,104
TOTAL: \$26,981

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 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 is improved with a part one-story and part two-story, multi-family dwelling of frame construction with 1,468 square feet of living area. The dwelling was constructed in 1900. Features of the property include three apartment units, a partial unfinished basement and a crawl-space foundation. 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 form disclosing the seller was OOR (owner of record); the parties to the transaction were not related; the property was sold using a realtor; and the property had been advertised for sale on the open market with the Multiple Listing Service (MLS). To document the transaction, the appellants

submitted a copy of the settlement statement (HUD-1) and the Illinois Real Estate Transfer Declaration (PTAX-203). The settlement statement revealed the seller was MID Holdings, LLC and commissions were paid to two realty firms. The transfer declaration disclosed the subject had been advertised for sale.

The appellants also submitted a market analysis with information on three comparable sales. The report was dated February 28, 2016 but was not signed. The comparables were described as part one-story and part two-story, multi-family dwellings that were located from 0.59 to 0.93 of a mile from the subject. The comparables range in size from 1,539 to 1,569 square feet of living area and were constructed in 1900. Each comparable had two or three apartment units and a full basement. The appellants did not provide any information on the comparables' land area, exterior construction and basement finished area, if any. The comparables sold in September 2014 or February 2015 for prices that ranged from \$54,000 to \$61,000 or from \$34.64 to \$39.64 per square foot of living area, land included, or from \$18,333 to \$27,000 per apartment unit. The appellants' analysis also included "Property Equalization Values" that made adjustments to the sale prices for differences in sale date, land market value, square footage and basement area. The appellants did not provide any evidence or an explanation as to how these calculations were arrived at. Based on the Property Equalization Values, the analysis conveyed a value estimate for the subject property of \$35,002. Based on the market analysis, the appellants requested a reduction in the subject's assessment to \$11,666.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$30,828. The subject's assessment reflects a market value of \$91,048 or \$62.02 per square foot of living area, land included, or \$30,349 per apartment unit, when using the 2015 three-year average median level of assessment for Kane County of 33.31% as determined by the Illinois Department of Revenue.

In response to the appeal, the board of review submitted a memorandum and data prepared by the Elgin Township Assessor. In the memorandum, the assessor noted the appellants' comparables were "distressed sales that sold for cash in as is condition". The township assessor submitted information on 17 comparable sales improved with multi-family dwellings of four different designs: one and one-half story, part one-story and part one and one-half story, two-story, or part one-story and part two-story. The dwellings have frame, frame and masonry, masonry, or concrete block exterior construction. The dwellings range in size from 1,119 to 2,714 square feet of living area and were constructed from 1870 to 1959. Each comparable had two or three apartment units and a basement. The board of review did not provide information on the comparables' proximity to the subject property. The comparables have sites ranging in size from 4,356 to 15,682 square feet of land area. The comparables sold from June 2013 to March 2015 for prices ranging from \$106,000 to \$175,000 or from \$48.37 to \$120.64 per square foot of living area, including land, or from \$41,667 to \$87,500 per apartment unit.

The township assessor also developed an estimate of value using rental income from 23 properties to develop a gross rent multiplier of 6 which was applied to an annual estimated income for the subject property of \$22,200 to arrive at an estimated market value of \$133,200 or \$44,400 per apartment unit. Based on this evidence, the board of review requested confirmation of the subject's assessment.

The appellants' attorney submitted a rebuttal brief.

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 appellants submitted a market analysis report with adjustments to the comparables' sale prices for differences from the subject property. The Board finds this report was not signed and the appellants made no attempt to provide an explanation for these calculations. Consequently, the Board gave no weight to the appellants' market analysis.

The Board also gave no 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 considered the subject's recent sale and the 20 comparable sales presented by the parties. The Board gave no weight to the subject's January 2013 sale because it occurred nearly two years prior to the January 1, 2015 assessment date. The Board also gave no weight to the board of review's 17 comparable sales due to differences in sale date, living area, age and design. Four of the board of review comparables (#4, #8, #15 and #16) sold in 2013 and were found to be dated in relation to the January 1, 2015 assessment date. In addition, 14 of the board of review's comparables (#1 and #5 through #17) differed significantly from the subject in living area; six of the board of review comparables (#3, #6, #9, #10, #15 and #16) differed significantly in age; and nine of the board of review's comparables (#2, #3, #6, #9 through #11, #14, #16 and #17) were described as being of a different design than the subject. Finally, the Board was not able to determine if any of the board of review comparables were located near the subject property, because the board of review did not provide this information. Consequently, the Board finds the board of review comparable sales were not shown to be sufficiently similar to the subject property.

The Board finds the best evidence of market value in the record to be the appellants' comparables. The Board finds these properties sold proximate to the assessment date; were the same age and design as the subject; were very similar in living area; and were described as being located from 0.59 to 0.93 of a mile from the subject. The appellants' comparables sold in September 2014 or February 2015 for prices that ranged from \$54,000 to \$61,000 or from \$18,333 to \$27,000 per apartment unit. The subject's assessment reflects a market value of \$91,048 or \$30,349 per apartment unit, which is above the range established by the best comparable sales in this record. 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



Acting 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 21, 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.