



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

APPELLANT: Shri Hari Krupa CP Inc.
DOCKET NO.: 16-00089.001-C-2 through 16-00089.002-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Shri Hari Krupa CP Inc., the appellant, by attorney Joanne Elliott, of Elliott & Associates, P.C. in Des Plaines; and the Champaign 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 **Champaign** County Board of Review is warranted. The correct assessed valuation of the property is:

| DOCKET NO | PARCEL NUMBER | LAND | IMPRVMT | TOTAL |
|------------------|----------------------|-------------|----------------|--------------|
| 16-00089.001-C-2 | 41-20-01-200-034 | 10,520 | 0 | \$10,520 |
| 16-00089.002-C-2 | 41-20-01-200-037 | 211,570 | 610,660 | \$822,230 |

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Champaign County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2016 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 three-story limited service hotel with 95 rooms, a vestibule, lobby, manager's office, elevator lobby, laundry and guest laundry room. The subject features three types of king rooms including a standard or handicap king bed and a suite and two types of queen rooms including standard and handicap queen bed rooms, an atrium, indoor swimming pool, whirlpool, sauna, fitness center, kitchen (continental breakfast only), restaurant, lounge, offices, meeting/banquet rooms and laundry facilities. The subject has 41,184 square feet of building area and was built in 1989. The improvements are located on a slightly irregular shaped corner parcel with 3.03 acres of land area in Champaign, City of Champaign Township,

Champaign County. The property is commonly known as the Baymont Inn & Suites and was purchased by the appellant in March 2016 for \$2,500,000.¹

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant, through counsel Lauren Elliott, appeared before the Property Tax Appeal Board and submitted an appraisal prepared by State Certified Real Estate Appraiser Donald P. DiNapoli, MRICS (Member Royal Institution of Chartered Surveyors) and Edward V. Kling, MAI, MRICS (Member of Appraisal Institute and Member of Royal Institution of Chartered Surveyors). Both appraisers are with Real Estate Valuation Group Commercial, LLC, (hereinafter “RVG”), St. Charles, Illinois. DiNapoli was called as a witness on behalf of the appellant. DiNapoli has worked with RVG since 2002 and has been valuing property for 30-years with an expertise in hotels. He primarily values commercial properties and has appraised special purpose properties such as assisted living properties, aviation properties, convenience centers and theaters. DiNapoli described special purpose properties as a property containing a business component or highly specialized design. He has authored over 3,000 appraisals with approximately 20% of those being special purpose properties and approximately 200 being hotels.

DiNapoli testified that the purpose of the appraisal assignment in this case was to value the subject real property interest for ad valorem purposes which is the fee simple interest in the property. DiNapoli visited the subject site on approximately September 20, 2016 and authored the report on September 28, 2016.

The appraisal report depicts highest and best use of the subject site as vacant is to hold for future development because hotel occupancy being 58%, which does not warrant new development, therefore, the alternative is to hold the site for future development when economic conditions improve and market velocity and demand increase. (Appraisal, page 35). Highest and best use as improved is the existing use of the site as improved since no other alternate legal uses would yield a higher net present value. (Appraisal, page 36).

The appraisers developed a sales comparison approach to value. DiNapoli did not testify on direct examination regarding the sales comparison approach to value as developed by the appraisers. The appraisal report depicts six comparable hotels were utilized. (Appraisal, pages 39 – 53). The comparables were located in Champaign, Urbana, O’Fallon and Springfield Illinois. The properties were situated on sites ranging from 66,560 to 228,690 square feet of land area with building sizes ranging from 45,193 to 115,000 square feet of building area. They contained from 83 to 198 rooms and had land-to-building ratios ranging from 1.29:1 to 3.20:1 with ages ranging from 6 to 26 years old. The comparables sold from June 2013 to April 2015 for prices ranging from \$1,615,000 to \$5,300,000 or for \$14,420 to \$53,012 per room. After making adjustments to the comparables for occupancy, average daily rates, size, land-to-building ratio, condition, construction/build-out, age, commercial synergy, sale conditions, commercial exposure, indoor swimming pool and porte-cochere, adjusted room prices ranged from \$18,746 to \$26,506 per room. (Appraisal, page 51). The subject was depicted as having a site size of 131,987 square feet of land area with 41,184 square feet of building area, a land-to-building ratio

¹ Actual sale price was \$3,150,000 less personal property of \$650,000 for a net consideration for real property of \$2,500,000.

of 2.77:1, 89 rooms and 18 years old. The subject was estimated to have a unit value of \$23,000 per room, including personal property.

The contributory value of the furniture, fixtures and equipment (“FF&E”) as part of the hotel operations were depreciated using the straight-line method of depreciation with life expectancy ranging from 7 to 12 years, 10 years on average according to *Marshall Valuation Service. HVS U.S. Hotel Franchise Development Cost Guide*, depicts FF&E for all hotel types ranging from \$5,400 to \$129,300 per room. Midscale hotels without food and beverage averaged \$8,800 per room. The appraisers utilized \$8,800 per room for the subject or \$836,000. The appraisers then used an effective age of 7 years or 70% depreciation to arrive at a contributory value of the FF&E of 30% of the cost new or \$250,800. Based on this analysis, the appraisers estimated the subject’s value using the sales comparison approach to value of \$1,930,000. (95 rooms x \$23,000 – FF&E \$250,800 = \$1,934,200 or \$1,930,000, rounded). (Appraisal, page 53).

The appraisal report further depicts the appraisers were not able to obtain accurate financial data and marketing times for the comparable sales, which is a major weakness in the sales comparison approach to value. Due to the very limited amount of recent sales data and truly comparable sales within the subject market, the sales comparison approach to value is diminished in reliability. (Appraisal, page 51). The report depicts an estimated value by the sales comparison approach of \$1,930,000 (Appraisal, page 72), and was given secondary consideration. (Appraisal, page 51).

DiNapoli stated hotel properties are more difficult than average to value for ad valorem tax purposes. He explained that this was because hotels typically sell as a going concern, so they have both tangible and intangible property components. Another component of a going concern other than tangible and intangible assets is the real property. DiNapoli stated the business value would include the intangible assets along with goodwill that would include the value of the workforce in place. DiNapoli testified that if a hotel business recently traded hands in a going concern transaction, the gross price would not be conclusive of market value.

DiNapoli described going concern as related to an operating business that would include real tangible property, the FF&E as well as intangible property including goodwill and the assemblage of a trained workforce, client base, negotiated business contracts and relationships. He stated investors/buyers find a value in the intangibles which is why it affects the valuation for fee simple ad valorem tax purposes, which is reflected in the purchase price. DiNapoli stated business enterprise value is an intangible asset along with cash on hand, working capital and the franchise flag.

DiNapoli explained that in order to get to a net market value of everything except real property when a property recently traded hands, he needed to extract the contributory value of the FF&E of the tangible and intangible items. DiNapoli testified that the income capitalization approach is the primary approach to value a hotel with the sales comparison approach and cost approach to value providing additional support. He stated they are aware of the PTAX Transfer Declaration for a property that sold within the last three years, but do not believe it is directly indicative of what the value of a property is. DiNapoli agreed that the Transfer Declaration Sheet depicts a net purchase price and a gross purchase price, and the difference would represent personal property, however, he typically considers the value for tangible property for FF&E to be

arbitrary. In relation to the recent transfer of the subject in March 2016, he considered the allocation of the FF&E as shown on the Real Estate Transfer Declaration Sheet to be arbitrary. DiNapoli admitted that he does not know, based on statements from the client, how the value for FF&E as shown on the Transfer Declaration Sheet was reached.

DiNapoli reiterated that the best practice to value a hotel is the income approach to value because that is how a typical buyer looks at the property. He stated typical buyers are going to value the property based on how they perceive the hotel is going to perform, which is directly indicated by the income approach. DiNapoli testified that the subject property sold with personal property for \$2.5 million in March 2016 and was considered a going concern sale. DiNapoli further testified that the total price was \$3.1 million.

DiNapoli stated they considered two approaches to value being the income approach to value and the sales comparison approach to value. He stated they discussed the cost approach to value but did not use the cost approach because they felt the subject was an older property that was not how the typical buyer would look at the property along with difficulties in estimating depreciation. In addition, DiNapoli felt that for the income capitalization approach, they had reliable income data available.

In developing the income capitalization approach, the appraisers derived the subject's actual revenue from ownership in the STR (Smith Travel Research) report. The appraisal report, page 55, depicts the appraisers were provided with income and expense data for the subject for 2013 thru 2015 including occupancy and average daily rate (ADR) from the subject's operation as a Baymont Inn Hotel. Industry standard data was obtained from appraiser records and from STR. The appraisal further depicts the subject's occupancy rate for 2013 of 59% with an ADR of \$70.27, an occupancy rate for 2014 of 53.8% with and ADR of \$68.49 and an occupancy rate for 2015 of 52% with an ADR of \$68.43. Page 55 of the appraisal report depicts that for 2015 the subject's occupancy rate of 52% underperformed the Midscale Class and the Competitive Set that were reported to have respective occupancy rates ranging from 57.3% to 57.9%. The report further depicts the subject also had below average performance in ADR at \$68.43 as compared to \$79.61 and \$78.34 for Midscale Chains and the Competitive Set. (Appraisal, page 55). Stabilized income and expenses were analyzed on pages 66 and 67 of the appraisal report. Annual potential gross income in the appraisal report was estimated to be \$1,226,108 for 95 rooms at a daily rate of \$68 with an occupancy level of 52%. Additional miscellaneous revenues indicated total revenues of \$1,228,565 from which departmental costs and expenses (23.57%), undistributed operating expenses (34.4%), management fees, reserves and insurance (18.6%) were deducted to arrive at an estimated net income before real estate taxes of \$288,326.

DiNapoli testified a loaded overall capitalization rate of 13.83% (11% cap rate + 2.83% effective tax rate) was applied to the subject's net operating income (\$288,326) to derive an estimated value for the subject of \$2,080,000, rounded. The overall capitalization rate was developed using the Band of Investment and Investor survey data which indicated an overall capitalization rate from 9.38% to 11.65%. The appraisers utilized a capitalization rate of 11.0% to which and effective tax rate of 2.83% was added to derive an overall capitalization rate of 13.83% (Appraisal, page 71). Applying the overall capitalization rate to the subject's estimated net operating income yielded a value by the income capitalization approach of \$2,084,787 or \$21,945 per room (Appraisal, page 70).

DiNapoli testified that the occupancy and ADR were derived from the STR report which is a research and analytics business that gathers statistics from the market, including hotel performance, income and expenses. DiNapoli testified he believed the reports to be very accurate and that just about every major hotel relies on them. DiNapoli stated most of the expense they deducted were ordinary business expense other than the return on and return of expenses. He explained that the buyer would have an expectation that they would make a profit on their investment, so they would get a return on that investment in addition to the return of the investment. The goal of the assignment was to arrive at a net operating income, attributable to the value of the real estate only by removing the business-related income. DiNapoli testified that this method was known as the “Rushmore” method of doing the income capitalization approach, which is standard appraisal theory. He stated it is a generally accepted method to value hotel properties and is the gold standard; the best practice for ad valorem tax purposes to value a hotel. DiNapoli testified that there are acceptable models, other than the “Rushmore” method to value hotels, to try to account for goodwill, however, they typically result in lower real property value, because the other methods would remove the value of goodwill as an expense. DiNapoli stated their appraisal report does not deduct anything off of the net operating income for goodwill or business value. At this point in the hearing the appellant rested its case and requested a reduction in the subject’s assessment to reflect the appraised value.

On cross-examination, DiNapoli agreed the depreciated replacement cost of the FF&E was \$250,800 which was found on pages 53 and 65 in the report. Regarding the PTAX Transfer Declaration sheet depicting a personal property allocation of \$650,000, DiNapoli testified that the allocated number was arbitrary in his opinion and that there was a difference between cost and value. He stated the cost does not include putting it in place, maintaining it, management or workforce. DiNapoli testified that they had the income data for the subject from the STR report, but the expense data, unfortunately, was included as a part of their boilerplate language by mistake. DiNapoli testified that the STR report is specific to the subject. He then testified that goodwill is the going concern, the operating business, the reputation in the community, how well they are run, well managed, market perception and client lists.

Regarding an appraisal report attached to the purchase agreement, DiNapoli could not recall if the subject was listed for sale, even though, the closing statement depicts a commission for brokers and the PTAX Statement indicates the property was listed for sale. DiNapoli explained that with hotels it is frequently the case that they may not be listed on one of the standard services. He stated that within the industry, a broker will shop the property, which he considered on the market. DiNapoli could not recall the asking price for the subject. He was not provided with the purchase and sale agreement.

DiNapoli agreed that the subject’s recent sale matches the definition of market value as defined by the Illinois Department of Revenue and the Property Tax Code. DiNapoli testified he examined the subject’s sale in March 2016 but found nothing extraordinary going on. He agreed, the report depicts the subject as being flagged as an Extended Stay America Hotel, which was a mistake/typo and did not impact the estimated value. DiNapoli further agreed that the competitive set of hotels used in the sales comparison approach to value on page 24 of the report were not of the same quality as the subject. DiNapoli agreed that if a sale was an REO sale or a foreclosure, that the distressed sale would have a big impact on the transaction value, or if there

were unusual financing, or the market conditions were wildly different it would also impact the transaction value. DiNapoli agreed that comparable sale #1 was a motel, unlike the subject. He could not recall if comparable sale #2 was an auction sale and did not know if the PTAX Transfer Declaration sheet indicated no FF&E or personal property being transferred, even though his appraisal report depicts FF&E was included in the sale price. (Appraisal, page 41). DiNapoli agreed that the sale date and sale price for sale comparable #5 may be incorrect. It was alleged this comparable sold in 2015 and 2018 for \$5.1 million. This was a property DiNapoli appraised. Comparable #6, also an auction sale, was given a negative location adjustment even though it was adjacent to the subject. However, he later clarified that the adjustment may be for location on the street. DiNapoli admitted it was an error to give comparable sale #6 a negative adjustment for superior commercial synergy when it was located in the same commercial district as the subject. Even though 4 of the 6 sales were auction sales, and the other 2 being REO sales, DiNapoli felt they were a sale of going concern that had been marketed.

DiNapoli explained that they buy the expense data from the STR report and get the income data from the owner. He stated the STR report provides a data set and a comp set without providing specific information about the individual hotels. DiNapoli admitted that he only used the STR report for expenses and did not verify the data or use other reports. DiNapoli testified that he requested the historical expense reports from the appellant, however, the appellant did not get back to him. He agreed it was important when doing an income approach to value, but was not uncommon. DiNapoli testified the subject's March 2016 sale was a fair sale representative of market value that included a going concern, the flag and various other intangible property. DiNapoli admitted that a certain amount was allocated for FF&E in the subject's March 2016 sale, which was certified under oath as being true and correct. DiNapoli did not know who prepared the PTAX Transfer Declaration sheet nor how the allocated amount was determined, nor if it was agreed upon. He did not inquire of the appellant as to how the allocation for personal property was determined.

DiNapoli admitted he did not extract out a value for the hotel flag in his report. He then agreed he could have utilized the "Lenart" method to get to the fee simple interest of the real estate only, but chose to only use the "Rushmore" method. For verification of the "Rushmore" method, DiNapoli relied upon his experience in appraising properties and a rule of thumb that would come from talking to investors and various other market participants. DiNapoli stated experience has indicated that roughly a third of the going concern is attributed to tangible and intangible property.

DiNapoli considered a hotel sold at auction was still a sale of a going concern. He was not sure if there was typically a reserve on these properties when they go to auction. Typically, he would consider an auction sale a distressed sale. Even though 4 of his 6 sales were auction sales, he still considered them indicative of market value; even when he cannot extrapolate out business value. DiNapoli admitted that he was not able to verify each sale through their data source, public records or direct contact with the participants involved. They were able to verify 1 sale out of 6 that they used; sale #4. DiNapoli could not recall if Kling made any corrections or additions to the report.

On re-direct examination, DiNapoli testified that the scrivener errors within the appraisal report would not change his opinion of value. He further explained that the general and best practices in appraisal methodology would not require him to verify the data from the STR report.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total equalized assessment of \$866,850 was disclosed. The subject's assessment reflects a market value of approximately \$2,602,372 or \$62.73 per square foot of building area or \$27,393 per room, including land, using the 2016 three-year average median level of assessments for Champaign County of 33.31% as determined by the Illinois Department of Revenue.

In support of the subject's assessment, board of review representative Zebo Zebe stated the board of review believed the recent sale transaction of the subject property which occurred in March 2016, was under contract in December 2015, was between two parties in an arm's length transaction, and was the most reliable indication of the subject's market value. Zebe further stated the purchase contract depicted an allocation for personal property of \$650,000 and a "to be determined" allocation for contracts and advance rentals. Included in the board of review's submission of evidence was the PTAX-203 Real Estate Transfer Declaration and PTAX-203-A Supplemental Form. The PTAX 203 Transfer Declaration Sheet, dated March 2, 2016, depicts full actual consideration paid was \$3,150,000 with \$650,000 as personal property for a net consideration for real property of \$2,500,000. An inventory of personal property transferred was attached to the PTAX Form. The document was signed by both the seller and the appellant as a true and accurate declaration of the full actual consideration paid at the time of transfer. The PTAX-203-A supplemental form, also signed by the seller and appellant specifically depicts "[i]n your opinion, is the net consideration for real property entered on Line 13 of Form PTAX-203 a fair reflection of the market value on the sale date?" The answer was "yes" and attested to by the seller and buyer. Zebe further stated the recent sale transaction is not only indicative of market value, but that it is conclusive of market value and meets the standard definition of market value and should be given most weight.

On cross-examination, Zebe did not know whether or not an additional price was allocated to contracts and advanced rentals. Zebe admitted that he assumed it was separate and apart from the total purchase price because in the purchase and sale agreement under item D it depicts contract and advanced rentals "the price is to be determined." Zebe further testified that the subject is typically assessed using a cost approach and depreciated cost approach and then various factors through the years of multipliers are added depending on the sales history within the county. He believed a multiplier of 1.0180 was applied to the subject for the 2016 tax year. Zebe stated the multiplier would be indicated on the subject's property record card.² Zebe agreed that given his experience, a sale of a hotel would include a business value. It was Zebe's understanding that if you took out the franchise fee and management fee, that those two items would effectively represent business value. Zebe could not explain why the assessor was not present to testify. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Conclusion of Law

² The board of review was ordered at the hearing to produce the subject's property record card into the record with appellant's counsel given one week to reply, if necessary.

After hearing the testimony and having considered the evidence, the Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The appellant contends overvaluation as the basis of the appeal. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). The Board further finds the best evidence of the subject's market value in this record is the subject's recent sale in March 2016 for a net consideration of \$2,500,000.

The subject property has a total assessment of \$866,850 which reflects a market value of approximately \$2,602,372 or \$62.73 per square foot of building area or \$27,393 per room, including land. The appellant submitted an appraisal prepared by DiNapoli and Kling estimating the subject had a market value of \$2,080,000 or \$21,895 per room as of January 1, 2016. The board of review, after complying with the Board's order, over objection from appellant's counsel, submitted the subject's property record card, originating from 1989, and relied on subsequent County equalization factors through the years to establish the subject's 2016 total assessment. The subject's market value as reflected by its assessment of \$2,602,372 is above the appraised value as established by the appellant and above the net consideration price paid in March 2016 (\$2,500,000).

The Board gives little weight to the subject's property record card as it is incomplete regarding the computational ladder, is missing computational data, depreciation values and contains errors in the description and number of units. The Board further finds the credibility of the subject's 2016 assessment was not verifiable nor a credible indicator of the subject's market value as of January 1, 2016. The assessor was not present at the hearing and therefore the property record card evidence was not supported with direct testimony from the assessor on the methodology used or subject to cross-examination for veracity and credibility. The Board finds the board of review simply relied upon multiple years of equalization factors to determine the subject's assessment for 2016.³

DiNapoli and Kling developed the sales comparison approach, which was given secondary consideration in their final analysis. The Board gives little weight to the sales comparison approach developed by DiNapoli and Kling. The appraisers utilized comparable sales that were either auction sales or REO sales. In addition, the testimony revealed that some of the sales may not have transferred FF&E and only one sale transaction was verified. DiNapoli admitted that the sale price and sale date of one property was incorrect, even though he appraised the property. The Board finds some of the adjustments utilized by the appraisers were suspect and not well supported. DiNapoli could not recall if Kling, a MAI appraiser, made any changes or suggestions to the appraisal. The appraisal report itself depicts that "due to the very limited amount of recent sales data and truly comparable sales within the subject market, this approach to value is diminished in reliability." Based on the errors, details of the comparables and questionable adjustments, the Board finds the comparable sales analysis developed by DiNapoli and Kling was not a credible indicator of the subject's market value as of January 1, 2016 and, more importantly, does not act as a "*test of reasonableness*" of the income approach to value also developed within the appraisal report.

³ The property record card depicts only four years of applied equalization factors from 1989 to 2016.

The next approach developed by DiNapoli and Kling was the income approach to value. The record and testimony reveal conflicting testimony whether DiNapoli obtain historical income from the owner. The record is clear that DiNapoli obtained expense data from the STR reports, however, DiNapoli testified he did not verify this data with other sources that were available. DiNapoli simply relied upon his experience to accept that expenses being approximately one-third of the purchase price as being acceptable. There is evidence in the record that an inventory list of property transferred was included with the PTAX-203 statement. The Board finds the appraisers ignored any examination of the property that actually transferred as a check against their market analysis. The Board finds the income and expense analysis as developed by DiNapoli was not well supported in the record. The Board agrees with Zebe in that any error in the percentage of expenses used, may have a significant impact on the final value conclusion as developed in the income approach to value. Further, the Board finds the appraisers failed to fully examine the subject's sale transfer in March 2016. DiNapoli testified that he was not even provided with the purchase and sale agreement. In addition, DiNapoli did not know who prepared the PTAX Transfer Declaration sheet nor how the allocated amount of personal property was determined. He did not inquire of the appellant as to how the allocation for personal property was calculated. The Board finds this lack of inquiry calls into question the due diligence on the part of the appraisers. DiNapoli also admitted he did not extract out a value for the hotel flag in his report, even though he testified that the flag was a component of the business enterprise value. Since the appraisal report and DiNapoli, through his testimony, agreed that the sales comparison approach was suspect at best, the Board finds the appraisers should have incorporated another method as a check against the allocation of going concern to the subject's transfer in March 2016. DiNapoli agreed he could have utilized the "Lenart" method to get to the fee simple interest of the real estate only but chose to only use the "Rushmore" method. Based on the above analysis, the Board finds the methodology, adjustments and final value conclusion contained within the appraisal report is not credible nor a reliable indicator of the subject's value as of January 1, 2016.

The Board finds the best indicator of the subject's market value as of January 1, 2016 is the subject's recent sale in March 2016 for a net consideration of \$2,500,000. The Board finds it suspect that the appellant verified that the net consideration paid at the time of transfer was \$2,500,000 but asks the Property Tax Appeal Board to dismiss this figure as being based on an arbitrary calculation of the amount of personal property transferred. At least two times on the PTAX-203 forms, the buyer and seller verified and certified as being true and correct that the full net consideration paid at time of transfer (\$2,500,000) was a "fair reflection of the market value on the sale date" with personal property being \$650,000.

From a review of the record, the Board finds there is no evidence suggesting the subject's sale in March 2016 was not an arm's-length transaction. The Illinois Supreme Court defined fair cash value as 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 of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill.App.3d 369 (1st Dist. 1983), People ex rel. Munson v. Morningside

Heights, Inc; 45 Ill.2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill.2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945).

After considering the indicated value of \$2,500,000 using the subject's recent sale just two months after the assessment date in question, the Property Tax Appeal Board finds the subject property had a market value of \$2,500,000 as of January 1, 2016, and further finds the subject's total assessment should be reduced to \$832,750 based on the 2016 three-year average median level of assessments for Champaign of 33.31%.

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: August 18, 2020



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

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