



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

APPELLANT: Youssi Rentals, LLC II
DOCKET NO.: 16-00147.001-R-1
PARCEL NO.: 12-23-252-005

The parties of record before the Property Tax Appeal Board are Youssi Rentals, LLC II, the appellant, 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: \$4,843
IMPR.: \$23,163
TOTAL: \$28,006

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 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 one-story single-family dwelling of brick exterior construction with 1,568 square feet of living area. The dwelling was constructed in 1966. Features of the home include a full unfinished basement, central air conditioning, a fireplace and a 484 square foot garage. The property has a 22,362 square foot site and is located in Rockford, Rockford Township, Winnebago County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted evidence disclosing the subject property was purchased on April 21, 2015 for a price of \$48,975. The appellant completed Section IV – Recent Sale Data reporting that the property was purchased from US Bank Trust, the parties were not related, the property was advertised for a period of 10 months in the Multiple Listing Service and the appellant invested an additional \$35,000 in renovations before the property was occupied in November 2015 which therefore reflects a total property investment of \$83,975.

In further support of the sale price, the appellant submitted a copy of the Settlement Statement which reiterates the purchase price and date of sale; page two of the Settlement Statement reflects the distribution of brokers' fees with regard to the transaction.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$16,325 which would reflect a market value of the purchase price of \$48,975.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$36,625. The subject's assessment reflects a market value of \$109,820 or \$70.04 per square foot of living area, land included, when using the 2016 three year average median level of assessment for Winnebago County of 33.35% as determined by the Illinois Department of Revenue.

In response to the appellant's evidence of the subject's purchase price, the board of review reported that the April 2015 sale was an "REO" and in September 2015 when the property was listed in the MLS "For Rent" the remarks included "complete rehab throughout" along with a list of upgrades. A copy of this listing was included in the submission.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales and a statement that 23.08% of sales in the subject's market neighborhood were compulsory sales.

Comparable sales #1 and #2 were in close proximity to the subject and comparable #3 was located 2.6-miles from the subject. Each of the homes is a one-story brick or frame dwelling that was 40 or 48 years old. The comparables range in size from 1,404 to 1,789 square feet of living area with full basements, two of which have finished recreation rooms. Each home has central air conditioning, two of the comparables each have a fireplace and each has a garage ranging in size from 420 to 576 square feet of building area. The comparables sold between March and September 2015 for prices ranging from \$105,000 to \$120,000 or from \$67.08 to \$80.80 per square foot of living area, including land.

Based on the foregoing evidence and argument, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

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 appellant contends the subject's assessment should be reduced based on the sale price of the subject. The evidence disclosed that the subject was purchased in April 2015 for a price of \$48,975, including land. The information provided by the appellant indicated the sale had the

elements of an arm's-length transaction in that it was advertised on the market, the Settlement Statement reflected brokers' fees and the sale occurred after 10 months of exposure on the market. The appellant further reported that an additional \$35,000 was expended in renovations before the property was occupied in November 2015. The Property Tax Appeal Board further finds that the board of review's responsive evidence, including noting the sale was an "REO," did not specifically contest the arm's-length nature of the sale of the subject property.

Moreover, Section 16-183 of the Property Tax Code provides that the Property Tax Appeal Board is to consider compulsory sales in determining the correct assessment of a property under appeal stating:

Compulsory sales. The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer. 35 ILCS 200/16-183.

The Property Tax Code also defines a compulsory sale as: (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete. 35 ILCS 200/1-23. In light of the foregoing statutory provisions, the Board finds that the purported compulsory sale of the subject property should appropriately be considered so long as other indicia of an arm's length sale transaction exist. In this matter, the Property Tax Appeal Board also finds the sale was not a transfer between family or related parties and the property was advertised for sale for a period of 10 months with brokers' fees being paid as part of the transaction.

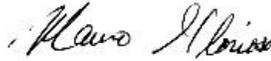
Ordinarily, property is valued based on its fair cash value (also referred to as fair market value), "meaning the amount the property would bring at a voluntary sale where the owner is ready, willing, and able to sell; the buyer is ready, willing, and able to buy; and neither is under a compulsion to do so." Illini Country Club, 263 Ill. App. 3d at 418, 635 N.E.2d at 1353; see also 35 ILCS 200/9-145(a). The Illinois Supreme Court has held that a contemporaneous sale of the subject property between parties dealing at arm's length is relevant to the question of fair market value. People ex rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill. 2d 158, 161, 226 N.E.2d 265, 267 (1967). 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). In light of this holding, the comparable sales submitted by the board of review have also been given less weight. Comparable #3 is located distant from the subject property and is newer than the subject. Comparables #1 and #2, while close in proximity to the subject and similar in design, foundation and other features, do not overcome data of the recent arm's length sale transaction of the subject.

The Board finds the best evidence of the subject's fair market value in the record as of January 1, 2016 is the April 2015 purchase price of \$48,975 along with the additional expenditure of \$35,000 in renovations to the subject property before it was occupied in November 2015.

In light of this evidence, the appellant invested additional money in the subject property subsequent to the purchase date and prior to the assessment date of January 1, 2016. As such, the Board finds those alterations were completed and should be added to the purchase price in terms of establishing the market value of the subject as of January 1, 2016. The Property Tax Appeal Board finds that the purchase price in April 2015 with additional renovations of \$35,000 was reflective of the subject's total market value on January 1, 2016 of \$83,975.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$83,975 on January 1, 2016. The subject's assessment reflects an estimated market value of \$109,820, which is higher than its arm's-length sale price plus renovation costs. Therefore, a reduction is warranted. Since the fair market value of the subject has been established, the Board finds that the 2016 three-year median level of assessment for Winnebago County of 33.35% shall apply.

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

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

Youssi Rentals, LLC II
12162 Marble
Rockton, IL 61072

COUNTY

Winnebago County Board of Review
Winnebago County Admin. Bldg.
404 Elm Street
Rockford, IL 61101