



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

APPELLANT: T. Ramseyer & P. Koziol, Austin Holdings
DOCKET NO.: 16-01675.001-R-1
PARCEL NO.: 06-13-180-003

The parties of record before the Property Tax Appeal Board are T. Ramseyer & P. Koziol, Austin Holdings, 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: \$6,412
IMPR.: \$20,204
TOTAL: \$26,616

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 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 part one-story and part two-story, multi-family dwelling of frame exterior construction with 1,468 square feet of living area.¹ The dwelling was constructed in 1900. Features of the property include three apartment units, a partial unfinished basement and crawl-space foundation. The property has a 2,650 square foot site and is located in Elgin, Elgin Township, Kane County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted information on three comparable sales located from .59 to .93 of a mile from the subject property. The comparables were described as part one-story and part two-story,

¹ The appellants' grid analysis was devoid of some pertinent descriptive data, which was drawn from the evidence provided by the board of review.

multi-family dwellings ranging in size from 1,539 to 1,786 square feet of living area. The dwellings were constructed in 1900. Each comparable has three apartment units and a full or partial basement. The appellants did not disclose the comparables' exterior construction or land area. The comparables sold from February 2015 to April 2016 for prices ranging from \$55,000 to \$80,000 or from \$35.05 to \$44.79 per square foot of living area, land included or from \$18,333 to \$26,667 per apartment unit. Based on this evidence, the appellants requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$33,088. The subject's assessment reflects a market value of \$99,453 or \$67.75 per square foot of living area, land included or \$33,151 per apartment unit, when using the 2016 three-year average median level of assessment for Kane County of 33.27% 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 disclosed that the subject was purchased in January 2013 for \$35,000 or \$23.84 per square foot of living area, including land or \$11,667 per apartment unit. The assessor noted the property was contracted in 16 days and sold for cash in as-is condition. The assessor also noted the appellants' comparables were "distressed sales that sold for cash in as-is condition".

In support of its contention of the correct assessment, the board of review submitted information on seven comparable sales improved with one-story; two-story; part one-story and part one and one-half story; or part one-story and part two-story, multi-family dwellings of frame exterior construction. The dwellings range in size from 1,119 to 1,945 square feet of living area and were constructed from 1881 to 1952. Each comparable has two or three apartment units and a basement, two of which have finished area. Two comparables have central air conditioning and four comparables have a garage ranging in size from 190 to 528 square feet of building area. The board of review did not disclose the comparables' proximity to the subject property. Six comparables have sites ranging in size from 6,468 to 12,240 square feet of land area. The board of review did not provide the site size of one comparable. The comparables sold from July 2014 to April 2016 for prices ranging from \$127,500 to \$162,000 or from \$71.98 to \$124.90 per square foot of living area, including land or from \$46,667 to \$81,000 per apartment unit.

In addition, the township assessor developed an estimate of value using rental income from seven properties to develop a gross rent multiplier of 6.5 which was applied to an annual estimated income for the subject property of \$22,200 to arrive at an estimated market value of \$144,300 or \$48,100 per apartment unit. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, counsel for the appellants contended as to the comparable sales presented by the assessor/board of review, comparables #1, #4 and #6 sales in 2014 were too remote in time to establish market value as of January 1, 2016; comparables #1, #2, #4 and #5 are located over one mile to over three miles from the subject property; comparables #1 through #6 are dissimilar in style containing two apartment units versus three apartment units; comparables #2, #5 and #7 are dissimilar in age; and comparable #7 is larger in size when compared to the subject. In a rebuttal

grid analysis, counsel reiterated the three best comparable sales in the record and contended the subject's assessment should be reduced.

Lastly in rebuttal, counsel argued that an analysis of raw sales prices per square foot "does not take into account the fundamental concept of using a median sale price/SF to determine market value." Counsel further argued that using a median sale price per square foot "is more accurate and should be standard practice for determining fair market value."

Conclusion of Law

The appellants contend 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 appellants met this burden of proof and a reduction in the subject's assessment is warranted.

As an initial matter, the Property Tax Appeal Board gave no weight to the appellants' counsel's argument that the Board should adopt a standard practice of using the median sale price per square foot of living area, including land, of those comparables deemed best in determining fair market value because it is "more accurate." Contrary to this argument, the decision of the Property Tax Appeal Board must be based upon equity and the weight of evidence, not upon a simplistic statistical formula of using the median sale price per square foot of living area, including land, of those comparables determined to be most similar to the subject. (35 ILCS 200/16-185; Chrysler Corp. v. Property Tax Appeal Board, 69 Ill.App.3d 207 (2nd Dist. 1979); Mead v. Board of Review, 143 Ill.App.3d 1088 (2nd Dist. 1986); Ellsworth Grain Co. v. Property Tax Appeal Board, 172 Ill.App.3d 552 (4th Dist. 1988); Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989)). Based upon the foregoing legal principles and contrary to the assertion of the appellants' counsel, there is no indication that a "median sale price per square foot" is the fundamental or primary means to determine market value.

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 parties submitted ten comparable sales for the Board's consideration. The Board gave less weight to the comparables submitted by the board of review due to differences in sale date, location, size, design and age. Board of review comparables #1, #4 and #6 sales in 2014 are dated and less likely to reflect the subject's market value as of the January 1, 2016 assessment date. In addition, comparables #1 through #6 are different in design containing two apartment units; comparables #2, #5 and #7 are dissimilar in age; and comparable #7 is larger in size when compared to the subject. Additionally, the Board gave little weight to the subject's reported January 2013 sale price, as it is dated and less likely to reflect the subject's market value as of the lien date at issue.

The Board finds the best evidence of market value to be the appellants' comparable sales. These three comparables are most similar to the subject in location, size, design, age and features. These comparables sold from February 2015 to April 2016 for prices ranging from \$55,000 to \$80,000 or from \$35.05 to \$44.79 per square foot of living area, land included or from \$18,333 to \$26,667 per apartment unit. The subject's assessment reflects a market value of \$99,453 or \$67.75 per square foot of living area, land included or \$33,151 per apartment unit, which is above the range of 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. 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

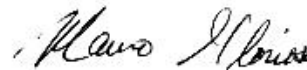
Member

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: June 18, 2019



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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