



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

APPELLANT: Frank Levis
DOCKET NO.: 16-01709.001-R-1
PARCEL NO.: 06-13-451-015

The parties of record before the Property Tax Appeal Board are Frank Levis, the appellant, 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 **No Change** 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: \$7,560
IMPR.: \$34,706
TOTAL: \$42,266

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant 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 1-story and part 1.5-story, multi-family dwelling of frame exterior construction with 2,169 square feet of living area.¹ The dwelling was constructed in 1920. Features of the property include two apartment units, a partial unfinished basement and a 280 square foot garage. The property has a 5,663 square foot site and is located in Elgin, Elgin Township, Kane County.

The appellant's appeal is based on overvaluation. In support of this argument, the appellant partially completed Section IV of the residential appeal petition disclosing the subject property was purchased on February 1, 2015 for a price of \$53,288. The appellant's counsel reported that the subject property was purchased from the owner of record. Also, the parties to the transaction were not related and the property was advertised by sign, internet and/or auction. A copy of the

¹ Appellant's counsel failed to complete Section III – Description of Property: descriptive data has been drawn from the property record card evidence provided by the board of review.

Settlement Statement similarly reflects the purchase price and depicts the distribution of broker's fees to one entity; however, the settlement date is February 18, 2015. A copy of the PTAX-203 Illinois Real Estate Transfer Declaration disclosed the seller was JPMorgan Chase Bank, National Association, the property was advertised for sale and reflects the purchase price, date of sale and that the transaction was a Bank REO (real estate owned). Based on this evidence, the appellant 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 \$42,266. The subject's assessment reflects a market value of \$127,039 or \$58.57 per square foot of living area, land included or \$63,520 per apartment unit, land included 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 contends the subject property was not exposed to the Multiple Listing Service (MLS), but was purchased as a Bank REO with cash.

In support of its contention of the correct assessment, the board of review submitted information on seven comparable sales improved with a 1-story; three, 2-story; and three, part 1-story and part 2-story, multi-family dwellings of frame exterior construction located in Elgin. The dwellings range in size from 1,773 to 2,212 square feet of living area and were constructed from 1900 to 1920. Each comparable has two apartment units and a basement, one of which has finished area. Additionally, one comparable has central air conditioning, one comparable has a fireplace, two comparables have two bathrooms per apartment unit and four comparables have a garage ranging in size from 192 to 1,320 square feet of building area. The board of review did not disclose the comparables' proximity to the subject property. The comparables have sites ranging in size from 5,850 to 8,591 square feet of land area. The comparables sold from March 2014 to February 2016 for prices ranging from \$134,500 to \$204,000 or from \$63.29 to \$96.23 per square foot of living area, including land or from \$67,250 to \$102,000 per apartment unit, including land.

In addition, the township assessor developed an estimate of value using rental income from 27 properties to develop a gross rent multiplier of 6.5 which was applied to an annual estimated income for the subject property of \$21,600 to arrive at an estimated market value of \$140,400 or \$70,200 per apartment unit, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant's counsel contends the board of review evidence is not responsive nor relevant to the basis of the appeal.

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 no reduction in the subject's assessment is warranted.

As an initial matter, the Property Tax Appeal Board 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 finds the evidence disclosed that the appellant purchased the subject property on February 18, 2015 for a price of \$53,288 from JPMorgan Chase Bank, National Association. The appellant provided evidence demonstrating the sale had the elements of an arm's length transaction. The appellant completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold by the owner of record, the property had been advertised on the open market by sign, internet and/or auction. However, the appellant did not disclose how long a period of time the subject property was advertised for sale. In further support of the transaction the appellant submitted a copy of the settlement statement and PTAX-203 Illinois Real Estate Transfer Declaration. The Board finds, however, the fact the property was REO (real estate owned) sold by JPMorgan Chase Bank, National Association calls into question whether the purchase price is reflective of fair cash value. The Board finds the board of review provided seven sales similar to the subject property in style, age and features. The Board gave less weight to board of review comparables #1 and #7 as their sale dates in 2014 are dated and less likely to reflect the subject's market value as of the lien date at issue. The Board also gave less weight to board of review comparable #4 due to its superior finished basement feature and comparable #5 due to its superior number of bathrooms per apartment unit when compared to the subject. The remaining three properties sold from March 2015 to February 2016 for prices ranging of \$145,000 and \$150,000 or from \$67.76 to \$73.64 per square foot of living area, including land. The Board finds these sales demonstrate the subject's purchase price of \$53,288 or \$24.58 per square foot of living area, land included, is not representative of fair cash value. After considering the sale of the subject property and the sales provided by the board of review, the Board finds that the subject's assessment reflecting a market value of \$127,039 or \$58.57 per square foot of living area, including land, is well supported. Therefore, the Board finds no 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: July 16, 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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