



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

APPELLANT: Geoffrey & Carla Spears
DOCKET NO.: 16-05688.001-C-1
PARCEL NO.: 14-04-381-020

The parties of record before the Property Tax Appeal Board are Geoffrey & Carla Spears, the appellants; and the Jackson 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 **Jackson** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$7,583
IMPR.: \$8,550
TOTAL: \$16,133

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants timely filed the appeal from a decision of the Jackson 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 former fast food restaurant of masonry construction with 2,040 square feet of gross building area, which includes 298 square foot of office space. The building was constructed in 1996. The property has a .3-acre site and is located in Murphysboro, Murphysboro Township, Jackson County.

The appellants' appeal is based on overvaluation. In support of this argument the appellants submitted evidence disclosing the subject property was purchased on October 3, 2016 for a price of \$48,400. The appellants provided evidence demonstrating the sale had the elements of an arm's length transaction. The appellants completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold by auction, the property had been advertised on the open market through the internet and by a sign in front of the building and it had been on the market for 1.5 years. In further support of the transaction the appellants submitted a copy of the special warranty deed, a copy of the sale contract limiting the

purchaser from using the premises as any type of food or drink facility and the PTAX-203 Illinois Real Estate Transfer Declaration disclosing the property had been advertised for sale. The appellants' submission included photographs of the interior of the subject's building revealing the subject suffers from deferred maintenance. Based on this evidence, the appellants requested a reduction in the subject's assessment to reflect the purchase price.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$57,625. The subject's assessment reflects a market value of \$172,789, land included, when using the 2016 three-year average median level of assessment for Jackson County of 33.35% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted an Ad-Valorem appraisal estimating the subject property had a market value of \$107,000 as of January 1, 2016. The appraisal was prepared by Robert Daun, a certified general real estate appraiser. The appraiser determined the highest and best use of the site as vacant, considering the deed restrictions, would be "...some type of a new development of a commercial use with the exception of any type of food and beverage operation. Deed restrictions omit any food and beverage operation for a period of 20-years from the purchase date. This restriction may eliminate a number of potential buyers, developers and business owners restricting development potential and marketing potential." In estimating the market value of the subject property, the appraiser developed the cost approach and the sales comparison approach to value.

Under the cost approach, the board of review's appraiser selected four vacant land sales that were located in Murphysboro and used the "front foot" method to value the subject's lot. The subject has 100 front feet of land area. The comparables ranged in size from 45 to 430.5 front feet of land area and sold from May to November 2015 for prices ranging from \$45 to \$580.72 per front foot of land area. After adjustments, the comparables had adjusted sale prices ranging from \$67.50 to \$180 per front foot of land area. Based on this analysis, the appraiser estimated the subject's lot would have a value of \$17,500, rounded. The appraiser then calculated a total replacement cost for the subject's improvements of \$281,388 and subtracted \$99,893 for depreciation to arrive at a depreciated cost of the improvements of \$181,495. Adding \$10,000 for estimated site improvements to the estimated land value and the depreciated cost of the subject's building, the appraiser arrived at an indicated value for the subject by the cost approach of \$209,000, rounded.

Under the sales comparison approach, the board of review's appraiser selected three suggested comparable properties that were located in Murphysboro. The comparables ranged in size from 1,546 to 2,880 square feet of building area. The comparables had other features with varying degrees of similarity to the subject. The comparables had sale dates ranging from January 2014 to April 2015 and sold for prices ranging from \$80,000 to \$209,000 or from \$36.31 to \$106.73 per square foot of building area, including land. After adjustments, the comparables had adjusted sale prices ranging from \$63.58 to \$85.38 per square foot of building area, including land. The appraiser applied a price of \$72.00 per square foot to arrive at an estimated value of \$107,000, rounded, under the sales comparison approach.

Under reconciliation, the appraiser opined that the value indicated by the direct sales comparison approach is supported by the value developed with the cost approach and arrived at a final estimated market value for the subject property of \$107,000 as of January 1, 2016.

Based on this evidence, the board of review offered to lower the subject's assessment to \$35,663.

Under rebuttal, the appellants rejected the board of review's offer and reiterated that the subject was purchased in good faith and at a 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.

The Board finds the best evidence of market value to be the purchase of the subject property in October 2016 for a price of \$48,400, which occurred ten months subsequent to the January 1, 2016 assessment date at issue. The Illinois Supreme Court has 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). The appellants provided evidence demonstrating the sale had the elements of an arm's length transaction. The appellants completed Section IV - Recent Sale Data of the appeal disclosing the parties to the transaction were not related, the property was sold by auction, the property had been advertised on the open market through the internet and by a sign in front of the building and it had been on the market for 1.5 years. In further support of the transaction the appellants submitted a copy of the special warranty deed, a copy of the sale contract limiting the purchaser from using the premises as any type of food or drink facility and the PTAX-203 Illinois Real Estate Transfer Declaration disclosing the property had been advertised for sale. The appellants' submission included photographs of the interior of the subject's building revealing the subject suffers from deferred maintenance. The Board finds the purchase price is below the market value reflected by the assessment and the board of review did not present any credible evidence to challenge the arm's length nature of the transaction or to refute the contention that the purchase price was reflective of market value. The Board further finds that the board of review's appraisal does not overcome the weight of the subject's arms-length sale transaction. Based on this record the Board finds the subject's assessment is not reflective of market value and a reduction in the subject's assessment commensurate with the appellants' request 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: February 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

AGENCY

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