



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

APPELLANT: Daniel Soto
DOCKET NO.: 16-07356.001-R-1
PARCEL NO.: 06-14-259-013

The parties of record before the Property Tax Appeal Board are Daniel Soto, the appellant, by attorney 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: \$7,838
IMPR.: \$21,253
TOTAL: \$29,091

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from the 2015 assessment year decision of the Property Tax Appeal Board pursuant to section 16-185 of the Property Tax Code (35 ILCS 200/16-185) allowing for a direct appeal in order to challenge 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 1,559 square feet of living area. The dwelling was constructed in 1900. Features of the home include two apartment units and a full unfinished basement. The property has a 6,006 square foot site and is located in Elgin, Elgin Township, Kane County.

The appellant contends overvaluation and contention of law as the bases of the appeal. The appellant's counsel cited the provision of a "direct appeal" pursuant to Section 16-185 of the Property Tax Code (35 ILCS 200/16-185). The subject property received a reduced assessment from the Property Tax Appeal Board in the prior year under Docket Number 15-01357.001-R-1. The appellant's appeal is based on overvaluation. In support of this argument the appellants submitted information on four comparable sales located from .38 of a mile to 1.05 miles from the

subject property. The comparables consist of part one-story and part two-story, multi-family dwellings ranging in size from 1,501 to 1,840 square feet of living area. The appellant did not disclose the exterior construction of the dwellings. The dwellings were constructed in either 1900 or 1918. Three of the comparables have full basements, one comparable has a partial basement and one comparable has central air conditioning. The appellant did not disclose the site sizes of the comparables. The comparables sold from February 2015 to February 2016 for prices ranging from \$50,000 to \$88,000 or from \$27.17 to \$48.30 per square foot of living area, including land or from \$25,000 to \$44,000 per apartment unit, including land.

In further support of the overvaluation claim, the appellant also partially completed Section IV of the residential appeal petition disclosing the subject property was purchased on September 23, 2014 for a price of \$54,000. The appellant's counsel reported that the subject property was purchased from the owner of record which was Bilmar, LLC as reported in the Settlement Statement submitted by the appellant. The appeal petition disclosed the parties to the transaction were reportedly not related and the property was advertised by a sign, internet and/or auction. The appellant's counsel did not disclose how long a period of time the property was advertised for sale. A copy of the Settlement Statement reflects the purchase price, the date of sale and the distribution of broker's fees to two entities. In addition, a copy of the PTAX-203 Illinois Real Estate Transfer Declaration reiterated the purchase price and depicting that the property was advertised for sale.

The appellant's attorney also submitted a brief in support of the appeal. Based on this evidence, the appellant 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 \$29,091. The subject's assessment reflects a market value of \$87,439 or \$56.09 per square foot of living area, land included or \$43,720 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 disclosed that the subject was purchased as an investment in September 2014. The assessor noted that the property was contracted in 66 days and sold for cash in as-is condition.

In support of its contention of the correct assessment, the board of review submitted information on 17 comparable sales located in Elgin like the subject property and improved with multi-family dwellings with varying degrees of similarity when compared to the subject. The dwellings range in size from 1,119 to 2,714 square feet of living area and were constructed from 1880 to 1987. Each comparable has two apartment units and a basement. Additionally, 12 comparables have garages ranging in size from 308 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 4,356 to 15,682 square feet of land area. The comparables sold from May 2013 to March 2015 for prices ranging from \$106,000 to \$175,000 or from \$48.37 to \$120.64 per square foot of living area, including land or from \$53,000 to \$87,500 per apartment unit, including land.

In addition, the township assessor developed an estimate of value using rental income from 23 properties to develop a gross rent multiplier of 6 which was applied to an annual estimated gross income for the subject property of \$16,560 to arrive at an estimated market value of \$99,360 or \$49,680 per apartment unit. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, counsel for the appellant contended that 14 of the comparables submitted by the assessor/board of review have sale dates that were too remote in time. In addition, 12 comparables have superior garage features. 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 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 appellant's 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 Property Tax Appeal Board gave little 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 also gave little weight to the subject's reported February 2014 sale price, as it is somewhat dated and less likely to reflect the subject's market value as of the lien date at issue given the more recent available sales in the record.

The parties submitted 21 comparable sales and the 2014 sale of the subject property for the Board's consideration. The board gave less weight to the appellant's comparable #3 due to its superior central air conditioning feature when compared to the subject. Additionally, the Board gave reduced weight to the comparables submitted by the board of review due to differences in dwelling sizes, dissimilar designs, superior features, newer ages and/or the 2013 and 2014 sales are dated which would not be indicative of market value as of the January 1, 2016 assessment date.

The Board finds the best evidence of market value to be the appellant's comparable sales #1, #2 and #4. These three comparables are most similar to the subject in location, size, design, age and features. These comparables sold from June 2015 to February 2016 for prices ranging from \$50,000 to \$88,000 or from \$25,000 to \$44,000 per apartment unit, land included. The subject's assessment reflects a market value of \$87,439 or \$43,720 per apartment unit, land included, which is within the range of the most similar comparable sales in this record. After considering adjustments and differences between the subject and the best comparable sales in the record, the Board finds the subject's estimated market value as reflected by its assessment is supported. Therefore, no change in the subject's assessment is warranted.

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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