



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

APPELLANT: Ramseyer & Koziol Austin Holdings
DOCKET NO.: 16-35428.001-R-1
PARCEL NO.: 16-09-313-071-0000

The parties of record before the Property Tax Appeal Board are Ramseyer & Koziol Austin Holdings, the appellant(s), by attorney Jessica Hill-Magiera, Attorney at Law in Lake Zurich; and the Cook 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 **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$ 2,250
IMPR.: \$ 9,143
TOTAL: \$ 11,393

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Cook 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 (the "Board") finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject consists of a two-story dwelling of masonry construction with 3,510 square feet of living area. The dwelling is 51 years old. Features of the home include a full basement with a formal recreation room and a two-car garage. The property has a 3,000 square foot site, and is located in Chicago, Lake Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance. No evidence was submitted as to whether the subject is owner occupied. The subject's improvement is prorated with the adjacent property, which has the PIN 16-09-313-072-0000. Each PIN is attributed 50.0% of the improvement's assessment. For purposes of this final administrative decision, the Board will calculate the total assessment for both PINs, and apply the proration factor afterwards.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted evidence disclosing the subject property, plus the adjacent parcel, was purchased on March 13, 2015 for a price of \$69,000, or \$19.66 per square foot of living area, including land. The appellant asserts that the parties to the transaction were not related. The printout from the MLS submitted by the appellant states that the sale was pursuant to a foreclosure. Based on this evidence, the appellant requested a reduction in the subject's assessment to \$3,450.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject and the adjacent parcel of \$22,786. The subject/adjacent parcel's assessment reflects a market value of \$227,860 or \$64.92 per square foot of living area, including land, when applying the 2016 statutory level of assessment for class 2 property of 10.00% under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment, the board of review submitted information on four equity comparables and four sale comparables. These comparables sold between April 2013 and September 2014 for \$185,000 to \$500,000, or \$82.22 to \$199.36 per square foot of living area, including land. The board of review also submitted the ASIQ printout for both the subject and the adjacent parcel, detailing the proration between these two parcels. The board of review also submitted a supplemental brief arguing that the sale of the subject/adjacent parcel was a compulsory sale, and therefore, the sale was not an arm's length transaction and the sale price does not represent the subject/adjacent parcel's fair cash value. In support of this argument, the board of review submitted a printout from the Cook County Recorder of Deeds' website showing that a *lis pendens* was filed on the subject/adjacent parcel by the City of Chicago on December 30, 2014 and also on January 12, 2015, and that the subject/adjacent parcel's previous owner of record, Christina Trust, conveyed the subject/adjacent parcel to the appellant via a warranty deed filed on March 17, 2005. The board of review also submitted a copy of FirstMerit Bank N.A. v. Bridgeview Bank, 2016 IL App (2d) 150364-U. The board of review asserts that this case stands for the proposition that:

[w]here the plaintiff in the foreclosure action is the high bidder at the judicial sale of the foreclosed property, the transaction is not an arm's-length transaction. Thus, although the price paid by a willing buyer to a willing seller is generally a sound indication of an item's value when the sale is at arm's length—see Walsh v. Property Tax Appeal Board, 181 Ill.2d 228, 230 (1998)—it would be error to use this measure in a situation in which the plaintiff controlled both the offer and the acceptance and thus could set any price it liked.

Id. at ¶ 39.

In rebuttal, the appellant argues that the board of review's evidence should be given no weight because it was not responsive to the appellant's request for relief based on a recent sale of the subject/adjacent parcel. In support for this argument, the appellant states:

The evidence submitted by the BOR is neither responsive nor relevant to the basis of the appeal. Because the appeal is not based on comparable sales or equity, the BOR's evidence should be given no weight. The Property Tax Code does not

give this Board authority to consider comparable sales as evidence in an appeal based only upon a recent sale of the subject property. Section 16-183 of the Property Tax Code instructs this Board to consider compulsory sales of *comparable properties* for purposes of revising an assessment, but makes no mention of considering evidence of comparable properties in a recent sale appeal. *See* 35 ILCS 200/16-183. This Board must only consider evidence that is relevant to the basis of the appeal.

(Emphasis in original.) The appellant also argued that the sale comparables submitted by the board of review are not similar to the subject for various reasons.

The Board also notes that both parties cited various decisions previously decided by the Board in support of their arguments.

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 a reduction in the subject's assessment is not warranted.

First, the Board finds that it is not bound by its previous decisions that the parties have cited. In Board of Educ. of Ridgeland School Dist. No. 122, Cook County v. Property Tax Appeal Bd., 2012 IL App (1st) 110461, ¶ 33, the intervenor school district argued that the Board accepted certain evidence in one appeal to the Board, but not in another allegedly similar appeal. Id. at ¶ 32. In finding that this practice was not erroneous, the appellate court looked to the Board's statutory authority: "The Board shall make a decision in each appeal or case appealed to it, and the decision shall be based upon equity and the weight of evidence and not upon constructive fraud, and shall be binding upon appellant and officials of government. 35 ILCS 200/16-185." Id. at ¶ 33. Thus, "each decision by the [Board] is necessarily fact specific and based upon the particular record of each case." Id. As each decision by the Board is necessarily fact specific, the Board is not bound by its previous decisions cited to by the parties, and gives them no weight in this analysis.

The Board finds that the sale of the subject/adjacent parcel in March 2015 for \$69,000 was a "compulsory sale." A "compulsory sale" is defined 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. The Board finds that the sale of the subject/adjacent parcel in March 2015 is a compulsory sale, in the form of a foreclosure, based on the printout from the MLS submitted by the appellant, which states that the sale of the subject/adjacent parcel was pursuant to a foreclosure.

Finding that the sale of the subject/adjacent parcel was a compulsory sale, the question then becomes, whether the compulsory sale of the subject/adjacent parcel is an arm's-length transaction such that the sale price reflects the subject/adjacent parcel's fair cash value. Indeed, "a contemporaneous sale between parties dealing at arm's length is not only relevant to the question of fair cash market value, [citations] but would be practically conclusive on the issue of whether an assessment was at full value." People ex rel. Korzen v. Belt Ry. Co. of Chicago, 37 Ill.2d 158, 161 (1967). However, "[i]n order for the sale price of property to be used as the market value, the transaction must be between a willing buyer and a willing seller, neither of whom are under compulsion to buy or sell, and no account should be taken of values or necessities peculiar to either party." Id. at 164 (citing City of Chicago v. Harrison-Halsted Building Corp., 11 Ill.2d 431 (1957); Ligare v. Chicago, Madison and Northern Railroad Co., 166 Ill. 249 (1897); and City of Chicago v. Farwell, 286 Ill. 415 (1918), overruled on other grounds by Forest Preserve Dist. of Du Page County v. First Nat. Bank of Franklin Park, 2011 IL 110759). The appellant asserts that the sale of the subject was an arm's-length transaction, while the board of review contends that it is not. In weighing the arguments and supporting evidence submitted by the parties, the Board finds that the sale of the subject was not an arm's-length transaction.

The appellant asserts that the transaction was arm's-length because the parties to the transaction were not related, and the subject/adjacent parcel was advertised on the open market via the MLS. The appellant submitted the settlement statement and the printout from the MLS in support of these assertions, and the board of review does not refute these facts. Thus, the Board finds that the parties to the transaction were not related, and that the subject/adjacent parcel was advertised for sale on the open market via the MLS.

Having found as such, the Board's inquiry into whether the transaction was at arm's-length is not over. The board of review argues that since the sale was a compulsory sale, it is not an arm's-length transaction. The board of review cites FirstMerit Bank in support of this assertion. The board of review also submitted four sale comparables to show that the subject/adjacent parcel's purchase price was below its fair market value, and, therefore, the transaction was not arm's-length. The appellant contends that the Property Tax Code does not allow the Board to consider these sale comparables submitted by the board of review.

The Board finds that the board of review's reliance on FirstMerit Bank is misplaced. Initially, the Board notes that this case is an unpublished decision that was filed subject to Illinois Supreme Court Rule 23(e), which states that unpublished decisions are "not precedential and may not be cited by any party except to support contentions of double jeopardy, *res judicata*, collateral estoppel or law of the case." None of these exceptions are relevant in this appeal, and, therefore, this case is not binding on the Board. Nor should it have been cited by the board of review.

Nevertheless, FirstMerit Bank is factually distinguishable from the instant case. In that case, the mortgagor defaulted on the mortgage, and the mortgagee commenced foreclosure proceedings, resulting in the mortgagee purchasing the mortgaged property at a sheriff's sale. FirstMerit Bank at ¶¶ 4-5, 7, 21. On appeal, the mortgagor argued, *inter alia*, that, in determining the deficiency owed by the mortgagor, the trial court used the purchase price at the sheriff's sale in determining the mortgaged property's value. Id. at 38. The court then pronounced that:

[w]here the plaintiff in the foreclosure action is the high bidder at the judicial sale of the foreclosed property, the transaction is not an arm's-length transaction. Thus, although the price paid by a willing buyer to a willing seller is generally a sound indication of an item's value when the sale is at arm's length—see Walsh v. Property Tax Appeal Board, 181 Ill.2d 228, 230 (1998)—it would be error to use this measure in a situation in which the plaintiff controlled both the offer and the acceptance and thus could set any price it liked.

Id. at 39. Unlike the mortgagor in FirstMerit Bank, the sale price at the sheriff's sale is not the sale price relied upon by the appellant in the instant case. The appellant, instead, relies upon the sale price from the sale of the subject subsequent to the sheriff's sale. It is the former sale that the court found to be not at arm's-length, and not the latter sale, which the appellant relies upon. Thus, even if FirstMerit Bank were precedential authority, it is factually distinguishable from the instant case.

The board of review also submitted four sale comparables to show that the subject/adjacent parcel's sale price was below its fair market value, and, thus, was not an arm's length transaction. The appellant argues that resort to sale comparables to determine if the sale of the subject/adjacent parcel was at arm's-length would violate the plain language of the Property Tax Code. The Board finds that this argument is without merit.

In Calumet Transfer LLC v. Property Tax Appeal, Bd., 401 Ill.App.3d 652 (1st Dist. 2010), the court upheld the Board's decision, wherein the Board allowed the intervenor to challenge the arm's-length nature of the sale of the property, through the submission of sale comparables, pursuant to Section 1910.65(c)(4) of the Official Rules of the Property Tax Appeal Board. Calumet Transfer, 401 Ill.App.3d at 655-56; 86 Ill.Admin.Code § 1910.65(c)(4) (“[p]roof of the market value of the subject property may consist of the following: 4) documentation of not fewer than three recent sales of suggested comparable properties together with documentation of the similarity, proximity and lack of distinguishing characteristics of the sales comparables to the subject property.”). Like the board of review here, the intervenor in Calumet Transfer argued that the seller was under duress to sell the property, and therefore, the purchase price was below fair market value as evidenced by the comparable sales. Id. at 656. The court stated that, “There is no provision in the Property Tax Code that restricts [the Board's] authority to consider such evidence. To the contrary, paragraph (4) of section 1910.65(c) specifically allows evidence of comparable property sales to prove fair market value.” Id. Thus, based on Calumet Transfer, the appellant's argument is without merit.

In looking at the sale comparables submitted by the board of review, the Board finds board of review comparables #1, #3, and #4 to be most similar to the subject/adjacent parcel. These comparables sold for prices ranging from \$82.22 to \$199.36 per square foot of living area,

including land. The subject/adjacent parcel's sale price reflects a market value of \$19.66 per square foot of living area, including land, which is below the range established by the best comparables in this record. Moreover, the subject/adjacent parcel's current assessment reflects a market value of \$64.92 per square foot of living area, including land, which is also below this range. Therefore, the Board finds that the sale of the subject/adjacent parcel in March 2015 for \$69,000 was below the subject/adjacent parcel's fair market value, and, therefore, was not an arm's-length transaction. As such, this sale has been given no weight in the Board's analysis. Since there is no other market value evidence proffered by the appellant, the Board finds that the appellant has not proven, by a preponderance of the evidence, that the subject is overvalued and a reduction in the subject's assessment is not 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

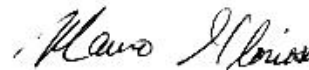
Member

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: April 21, 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

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

APPELLANT

Ramseyer & Koziol Austin Holdings, by attorney:
Jessica Hill-Magiera
Attorney at Law
790 Harvest Drive
Lake Zurich, IL 60047

COUNTY

Cook County Board of Review
County Building, Room 601
118 North Clark Street
Chicago, IL 60602