



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

APPELLANT: Youssi Rentals, LLC II
DOCKET NO.: 17-02952.001-R-1
PARCEL NO.: 12-29-308-001

The parties of record before the Property Tax Appeal Board are Youssi Rentals, LLC II, the appellant; and the Winnebago 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 **Winnebago** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$7,379
IMPR.: \$19,610
TOTAL: \$26,989

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Winnebago County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2017 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 single-family dwelling of brick exterior construction with 1,656 square feet of living area. The dwelling was constructed in 1955. Features of the home include a full unfinished basement, central air conditioning, two fireplaces¹ and an attached two-car garage. The property has an 18,211-square foot site and is located in Rockford, Rockford Township, Winnebago County.

The appellant's appeal is based on overvaluation. In support of this argument, the appellant submitted evidence disclosing the subject property was purchased on September 30, 2016 for a price of \$55,000. The appellant completed Section IV – Recent Sale Data reporting that the property was purchased from Constance M. Berglund Trust, the parties were not related and the property was not advertised prior to the sale transaction.

¹ The assessing officials reported the dwelling has one fireplace, but the appellant reported it has two fireplaces.

In further support of the sale price, the appellant submitted a copy of the Closing Statement which reiterates the purchase price and date of sale.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$18,333 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 \$26,989. The subject's assessment reflects a market value of \$81,146 or \$49.00 per square foot of living area, land included, when using the 2017 three-year average median level of assessment for Winnebago County of 33.26% as determined by the Illinois Department of Revenue.

In response to the appellant's evidence, the board of review reported that the property was the subject of an appeal before the Property Tax Appeal Board in 2016 as Docket number 16-00148.001-R-1, the prior tax year, where no reduction was given due to the sale of the subject property not meeting all of the requirements of an arm's-length transaction. The board of review also noted that the property was not advertised for sale and "did not require repairs, according to a sale verification letter from the seller." A copy of a two-page Confirmation of Sale Information was submitted with the signature of Constance M. Berglund Trustee as supporting evidence.

In support of its contention of the correct assessment, the board of review submitted information on four comparable sales which were located within .8 of a mile of the subject property. The comparable parcels range in size from 7,931 to 15,795 square feet of land area and have each been improved with a one-story brick dwelling that is 53 to 60 years old. The homes range in size from 1,376 to 1,744 square feet of living area and each have a full basement with finished area. Each dwelling has central air conditioning, two of the comparables each have two fireplaces and each has a garage ranging in size from 440 to 600 square feet of building area. The comparables sold between June 2016 and March 2017 for prices ranging from \$88,000 to \$94,000 or from \$53.90 to \$63.95 per square foot of living area, including land.

Based on the foregoing evidence and argument, the board of review requested confirmation of the subject's estimated market value as reflected by its assessment.

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.

The appellant argued the subject property's assessment was not reflective of its fair market value based on its September 2016 purchase price of \$55,000. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board

of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2d 1256 (2nd Dist. 2000). The Board finds the appellant failed to overcome this burden.

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). In addition, Section 1-50 of the Property Tax Code defines fair cash value as:

The amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller. (35 ILCS 200/1-50)

The Property Tax Appeal Board finds the subject's sale does not meet at least one of the fundamental requirements to be considered an arm's-length transaction reflective of fair cash value. The Board finds the best evidence in the record clearly shows the subject property was not advertised or exposed for sale on the open market. Thus, the general public did not have the same opportunity to purchase the subject property at any negotiated sale price. Therefore, the subject's sale price was given little weight and is not considered indicative of fair market value. Additionally, the recent sales located in close proximity to the subject which are similar to the subject in age, size, design and features further reflect that the sale price of the subject bears little resemblance to fair market value.

Other recognized sources further demonstrate the fact a property must be advertised or exposed in the open market to be considered an arm's-length transaction that is reflective of fair market value. Black's Law Dictionary (referencing Bourjois, Inc. v. McGowan and Lovejoy v. Michels (citation omitted)), states:

"the price a property would command **in the market**" (Emphasis added). This language suggests a property must be publicly offered for sale in the market to be considered indicative of fair market value.

The Board also finds there are other credible sources that specify a property must be advertised for sale in the open market to be considered an arm's-length transaction. The Dictionary of Real Estate Appraisal [American Institute of Real Estate Appraisers, *The Appraisal of Real Estate*, 8th ed. (Chicago American Institute of Real Estate Appraisers, 1983), provides in pertinent part:

The most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property will sell **in a competitive market** under all conditions requisite to fair sale; The property is **exposed for a reasonable time on the open market**.

Additionally, the Property Assessment Valuation, 2nd edition, states: Market value is the most probable price, expressed in terms of money, that a property would bring if **exposed for sale in the open market** (Emphasis added) in an arm's-length transaction between a willing seller and a willing buyer; a reasonable time is allowed for **exposure to the open market**. (Emphasis added).

(International Association of Assessing Officers, Property Assessment Valuation, 2nd edition, Pgs. 18, 35, (1996)).

Since both parties agreed that the subject property was not advertised for sale or exposed to the open market in an arm's-length transaction prior to the sale, the Board gave little weight to the subject's transaction for market value consideration.

The Board finds the best evidence of market value in the record to be the board of review comparable sales which are similar to the subject in location, style, construction, dwelling and lot sizes, features and age. These properties also sold proximate in time to the assessment date at issue. The comparables sold between June 2016 and March 2017 for prices ranging from \$88,000 to \$94,000 or from \$53.90 to \$63.95 per square foot of living area, including land. The subject's assessment reflects a market value of \$81,146 or \$49.00 per square foot of living area, land included, which is below the range established by the best comparable sales in this record.

Based on this record, the Board finds the subject's is not overvalued and a reduction in the subject's assessment is not 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: 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

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