



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

APPELLANT: The Oaks of Dutch Hollow, LLC  
DOCKET NO.: 18-03972.001-C-2 through 18-03972.002-C-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are The Oaks of Dutch Hollow, LLC, the appellant, by attorney Lisa Ann Johnson, of Smith Amundsen, LLC in St. Louis; the St. Clair County Board of Review; and Southwestern Illinois College, intervenor, by attorney Garrett P. Hoerner of Becker, Paulson, Hoerner & Thompson P.C., in Belleville.

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 **St. Clair** County Board of Review is warranted. The correct assessed valuation of the property is:

<b>DOCKET NO</b>	<b>PARCEL NUMBER</b>	<b>LAND</b>	<b>IMPRVMT</b>	<b>TOTAL</b>
18-03972.001-C-2	08-06.0-400-097	46,926	387,240	\$434,166
18-03972.002-C-2	08-06.0-400-098	31,781	322,700	\$354,481

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from decisions of the St. Clair County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessments for the 2018 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 seven multi-family two-story and three-story apartment buildings of frame or frame and masonry construction that were approximately 20 to 22 years old.<sup>1</sup> The seven buildings range in size from 7,332 to 13,260 square feet of building area and present a total building area of 69,368 square feet. The buildings contain a total of 77 one-bedroom and two-bedroom apartments. The two parcels consist of a combined site of 4.491-acres of land which is located in Belleville Township, St. Clair County.

The appellant marked comparable sales as the basis of the appeal but only provided data of one recent sale that occurred in October 2018 for a sale price of \$19,100,000 or \$79,583 per

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<sup>1</sup> Descriptive data of the subject has been drawn in part from a decision of the Property Tax Appeal Board on this property issued in Docket No. 17-04702.001-C-2 and 17-04702.002-C-2.

apartment unit or \$74.18 per square foot of building area, including land. One sale is insufficient to make an overvaluation claim; a minimum of three recent sales should be supplied for an overvaluation argument based upon comparable sales. (86 Ill.Admin.Code §1910.65(c)(4)).

In support of the appeal, counsel for the appellant supplied a two-page Statement in Support of Appeal, two Section V grid analyses (one for each parcel) wherein the same three equity comparables were presented for each subject parcel along with copies of applicable property record cards and various photographs. In the brief, the subject was described as an apartment community that does not include any amenities. It was asserted that the three comparables are of similar or better quality than the subject.

For ease of understanding and analysis, the Property Tax Appeal Board will address the details of the combined subject property with one description of the three equity comparables presented by the appellant. The three comparables are located from 1-mile to 6-miles from the subject. No data on lot size of the comparables was provided by the appellant. The comparables consist of two and three-story buildings of frame and masonry exterior construction that range in age from 17 to 44 years old, with the oldest comparable #3 having a reported effective age of 22 years old. The comparables consist of six, eight and twenty-five apartment buildings, respectively, for comparables #1, #2 and #3. There are 72, 88 and 240 two-bedroom apartments or one-bedroom to four-bedroom apartments. The comparables have equalized improvement assessments ranging from \$662,199 to \$2,809,980 or from \$9,197 to \$11,687 per apartment or from \$7.69 to \$10.89 per square foot of building area.

Based on the foregoing evidence and argument as set forth in the brief and appeal petition, the appellant requested reduced improvement assessments for the subject parcels totaling \$617,837 or \$8,024 per apartment unit or \$8.91 per square foot of building area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total combined equalized assessments for the subject parcels of \$976,868. The subject parcels have a combined equalized improvement assessment of \$898,161 or \$11,664 per apartment unit or \$12.95 per square foot of building area. The subject's total equalized assessment reflects a market value of \$2,926,507 or \$38,007 per apartment unit or \$42.19 per square foot of building area, land included, when using the 2018 three year average median level of assessment for St. Clair County of 33.38% as determined by the Illinois Department of Revenue.

In response to this appeal, the board of review asserted that the "best way to value income producing property is the income approach" and attached two spreadsheets along with supporting data. The board of review contends that in developing the income approach to value, which is one of the three traditional approaches to market value. The spreadsheets display various monthly rent totals, annual rent totals, vacancy and losses at various percentages and expenses at various percentages with a uniform capitalization rate of 10% to the various data points resulting in various totals.

The first spreadsheet depicts each of the subject parcels with market rents of \$600 per month and \$750 per month resulting variously in estimated potential rental incomes of either \$554,400 or \$693,000 per year. In this analysis, the board of review depicted vacancy and collection loss variously at 10%, 20% and 25% along with expenses variously at 10%, 20% and 25% for the

varying annual rental figures. In the spreadsheet analysis, the board of review depicts a 10% capitalization rate resulting in value conclusions for the subject depicted as ranging from \$3,118,500 to \$5,613,300, including land, all of which are higher than the current 2018 estimated market value of the combined subject property.

Next, without explanation, the board of review presented printouts related to the rental rate of appellant's comparable #2 and a similar printout for the subject. The board of review's submission also made reference to the appellant's comparable #3 which sold in October 2018 for \$19,100,000 and provided the Real Estate Transfer Declaration related to that transaction.

Based on the foregoing evidence, the board of review requested confirmation of the subject's assessments.

The intervening taxing district belatedly submitted a letter through counsel adopting the evidence presented by the board of review "and/or other taxing districts."<sup>2</sup>

### Conclusion of Law

Based upon Section 2d of the Commercial Appeal petition, 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) [*Emphasis added*]. The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted on grounds of overvaluation.

The appellant's evidentiary submission consisted of one comparable sale (equity comparable #3) with a sale current date of October 2018 and a sale price of \$19,100,000 or \$79,583 per apartment unit or \$74.18 per square foot of building area, including land. The subject's total assessment reflects a market value of \$2,960,854 or \$38,453 per apartment unit or \$42.68 per square foot of building area, land included. Therefore, the only recent sale in the record suggests that the subject property is undervalued based on its assessment. However, one sale is generally insufficient to establish market value. On this record, the Board finds there is insufficient market value evidence to either increase or decrease the subject's estimated market value based on only one comparable sale made in an overvaluation argument.

Based upon the appellant's evidentiary submission, the appellant contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing

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<sup>2</sup> By letter issued on August 12, 2020, the intervenor was granted a FINAL 30-day extension to submit its evidence. On October 4, 2020, counsel for the intervenor postmarked its letter dated October 2, 2020, adopting evidence filed by the board of review and/or other intervenors.

characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted on this basis.

The appellant submitted a total of three equity comparables to support its position before the Property Tax Appeal Board; the St. Clair County Board of Review failed to submit any equity data in its documentary submissions. The Board has given reduced weight to appellant's comparable #3 as these 25 apartment buildings with 240 units is dissimilar to the subject property consisting of seven apartment buildings with 77 apartment units.

The Board finds appellant's equity comparables #1 and #2 are the best evidence of assessment equity in the record. These two comparables consisting of six and eight apartment buildings that contain 72 and 88 apartment units, respectively, were relatively similar to the subject property. The comparables had equalized improvement assessments of \$662,199 and \$812,843 or \$9,187 and \$9,237 per apartment unit or \$7.69 and \$8.16 per square foot of building area. The subject's combined equalized improvement assessment of \$898,161 or \$11,664 per apartment unit or \$12.95 per square foot of building area, falls above the best equity comparables in this record both in terms of overall improvement assessment, on a per-apartment-unit basis and upon a per-square-foot basis. Based on this record and after considering adjustments to the comparables for differences when compared to the subject, the Board finds the appellant demonstrated with clear and convincing evidence that the subject's improvement should be reduced due to lack of assessment uniformity.

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: March 16, 2021



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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