



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

APPELLANT: Zachary Hoffman
DOCKET NO.: 20-07568.001-C-1 through 20-07568.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Zachary Hoffman, the appellant; and the Sangamon 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 **Sangamon** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
20-07568.001-C-1	22-04.0-236-001	11,590	37,613	\$49,203
20-07568.002-C-1	22-04.0-236-002	30,905	92,956	\$123,861

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from notices of equalization issued by the Sangamon County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2020 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 two parcels improved with a 1-story single-tenant commercial building of masonry construction with 16,800 square feet of building area. The building was constructed in 1963 with additions constructed in 1964, 1967, and 1988. Features of the building include 10,500 square feet of office/showroom area, 6,300 square feet of warehouse area, a concrete slab foundation, and 22 parking spaces. The property has a 35,219 square foot site and is located in Springfield, Capital Township, Sangamon County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$400,000 as of July 9, 2020. The appraisal was prepared by Gregory L. Kienzler, an Illinois certified general appraiser, for the purpose of a mortgage finance transaction. The appraiser inspected the subject property on July 9, 2020. The appraiser stated that personal property was not included in the value conclusion. The appraiser developed the cost approach and sales comparison

approach, but did not develop the income approach due to the subject being owner-occupied and its configuration as a single-tenant property.

Under the cost approach to value, the appraiser first developed a value conclusion for the subject's land. The appraiser considered ten vacant land sales¹ located in Springfield and ranging in size from 21,276 to 118,079 square feet of land area. These comparables sold from January 2018 to May 2020 for prices ranging from \$85,000 to \$570,000 or from \$0.97 to \$6.26 per square foot of land area. The appraiser considered seven of these comparables with adjustments for differences from the subject, such as location and utility, and for the type of purchaser, to compute adjusted sale prices from \$1.28 to \$1.88 per square foot of land area. Based on the foregoing, the appraiser opined the subject's site had a value of \$49,307 (rounded to \$50,000) or \$1.40 per square foot of land area.

The appraiser next examined costs and indicated economic life under the Marshall Valuation Service for an Average Discount Store Class C, a Good Warehouse Showroom Store, and an Average Retail Store Class C to compute a replacement cost new of the subject building of \$1,344,000 or \$80.00 per square foot of building area and to compute depreciation for the subject building of 68% or \$914,000, resulting in a depreciated replacement cost of \$430,000. The appraiser also computed the cost of other improvements, such as parking area, sidewalks, lighting, and landscaping, at \$92,000 and computed depreciation of 60% or \$55,000, resulting in depreciated site improvements of \$37,000. Based on the foregoing depreciated replacement costs and site value, the appraiser opined a value of \$517,000 (rounded to \$500,000) for the subject property under the cost approach.

Under the sales comparison approach to value, the appraiser examined twelve comparable sales and one listing located in Springfield. The comparables are improved with one or two single-tenant or multi-tenant commercial buildings ranging in size from 6,000 to 22,000 square feet of building area, with office and warehouse, retail and/or warehouse, banquet hall, and manufacturing uses. The comparables sold from February 2018 to March 2020 for prices ranging from \$145,000 to \$600,000 or from \$10.34 to \$47.50 per square foot of building area, including land. Comparable #1 was purchased by an adjacent property owner. The appraiser considered seven of these comparables with adjustments for differences from the subject, such as location, condition, and utility, to compute adjusted sale prices from \$17.72 to \$30.29 per square foot of building area. Based on the foregoing, the appraiser opined a value for the subject of \$400,000 or \$23.81 per square foot of building area, including land.

In reconciling these two approaches to value, the appraiser placed the most weight on the sales comparison approach despite stating the comparables required extensive adjustments, and gave little to no weight to the value conclusion developed under the cost approach.

Based on this evidence the appellant requested a reduction in the subject's assessment.

The board of review submitted two sets of its "Board of Review Notes on Appeal" disclosing the total combined assessment for the subject of \$173,670. The subject's combined assessments reflect a market value of \$524,208 or \$31.20 per square foot of living area, land included, when

¹ These comparables are designated as #1, #2, #3a, #3b, and #4 through #9 in the appraisal.

using the 2020 three year average median level of assessment for Sangamon County of 33.13% as determined by the Illinois Department of Revenue.

The board of review further indicated in its "Board of Review Notes on Appeal" that the appellant did not file a complaint with the board of review, but filed this appeal directly to the Board following receipt of notices of an equalization factor of 1.0035 for Capital Township which increased the subject's total assessment from \$173,064 to \$173,670.

Based on this evidence the board of review requested the subject's total assessment be sustained.

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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the only evidence of market value to be the appellant's appraisal of the subject property with a final value conclusion of \$400,000 as of July 9, 2020. The board of review did not submit any evidence in support of its assessment of the subject property. On this record, the Board has examined the evidence submitted by the appellant and finds that a reduction in the assessed valuation of the subject property is warranted.

However, the record indicates that the appellant did not file a complaint with the board of review but appealed the subject's total assessment directly to the Board based on notices of an equalization factor. Since the appeal was filed after notification of an equalization factor, the amount of relief that the Board can grant is limited. Section 1910.60(a) of the rules of the Board states in part:

If the taxpayer or owner of property files a petition within 30 days after the postmark date of the written notice of the application of final, adopted township equalization factors, the relief the Property Tax Appeal Board may grant is limited to the amount of the increase caused by the application of the township equalization factor. (86 Ill.Admin.Code §1910.60(a)).

Additionally, section 16-180 of the Property Tax Code provides in pertinent part:

Where no complaint has been made to the board of review of the county where the property is located and the appeal is based solely on the effect of an equalization factor assigned to all property or to a class of property by the board of review, the Property Tax Appeal Board may not grant a reduction in the assessment greater than the amount that was added as the result of the equalization factor. (35 ILCS 200/16-180).

These provisions mean that where a taxpayer files an appeal directly to the Board after notice of application of an equalization factor, the Board cannot grant an assessment reduction greater than the amount of increase caused by the equalization factor. Villa Retirement Apartments, Inc. v. Property Tax Appeal Board, 302 Ill.App.3d 745, 753 (4th Dist. 1999). Based on a review of the evidence contained in the record, the Board finds a reduction in the assessment of the subject property is supported, but such reduction is limited to the increase in the assessment caused by the application of the equalization factor.

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: November 22, 2022



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

Zachary Hoffman
301 East Laurel
Springfield , IL 62703

COUNTY

Sangamon County Board of Review
Sangamon County Complex
200 South 9th Street, Room 210
Springfield, IL 62701