



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

APPELLANT: Ray Anderes
DOCKET NO.: 20-07606.001-C-1
PARCEL NO.: 18-15-327-009

The parties of record before the Property Tax Appeal Board are Ray Anderes, the appellant, and the LaSalle 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 **LaSalle** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$26,901
IMPR.: \$145,000
TOTAL: \$171,901

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the LaSalle County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2019 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 commercial building of brick exterior construction which is operated as a restaurant with additional banquet and similar facilities. The building contains 9,000 square feet of building area with an open masonry porch of 720 square feet. Features include central air conditioning. The property has a .22-acre site and is located in LaSalle, LaSalle Township, LaSalle County.

The appellant contends both overvaluation and lack of assessment equity as the bases of the appeal; no challenge was made to the land assessment. In support of both the market value and inequity arguments, the appellant submitted information on three comparables set forth in the Section V grid analysis. Based on reiteration of the comparables submitted by the board of review and underlying property record cards supplied by the board of review, the comparables are located in LaSalle. The parcels contain either .06 or .13-acre of land area improved with either a one-story or a three-story building of brick or concrete block exterior construction. The

buildings were constructed from 1886 to 1946 and range in size from 5,750 to 7,339 square feet of building area as depicted in the property record cards and schematic drawings supplied by the board of review. The comparables sold from September 2017 to January 2020 for prices of either \$130,000 or \$140,000 or from \$19.44 to \$28.67 per square foot of building area, including land. The comparables have improvement assessments ranging from \$25,326 to \$41,172 or from \$4.41 to \$5.61 per square foot of building area.

Based on the foregoing evidence, the appellant requested a reduced total assessment of \$107,000 which would reflect a market value of \$321,032 or \$35.67 per square foot of building area, including land, at the statutory level of assessment of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$177,189. The subject's assessment reflects a market value of \$533,060 or \$59.23 per square foot of building area, land included, when using the 2020 three year average median level of assessment for LaSalle County of 33.24% as determined by the Illinois Department of Revenue. The subject property has an improvement assessment of \$150,288 or \$16.70 per square foot of building area.

As part of its submission, the board of review offered to *increase* the subject's total assessment to \$186,201 which would reflect a market value of \$560,171 or \$62.24 per square foot of building area, including land, at the three year median level of assessment. The proposal would also raise the improvement assessment to \$159,300 or \$17.70 per square foot of building area. The appellant was informed of this proposed *increase* and rejected the proposal by a letter postmarked August 5, 2021.

In support of its contention of the correct assessment, the board of review submitted a 13-page memorandum prepared by Benjamin Dolder, Chairman of the LaSalle County Board of Review; a comparable sales spreadsheet entitled "Market Value Adjustment Grid" analysis with information on six comparable sales, board of review comparables #4 through #0, along with reiterating the appellant's three comparables; a "Comparable Equity – Adjustment Grid" with information on three equity comparables, board of review comparables #4, #5 and #6, along with reiterating the appellant's three comparables; and copies of the property record cards for each parties' comparables.

As to the subject, the memorandum asserts the building was extensively remodeled in 2015 and is currently occupied as a high-end restaurant with an upscale bar, dining areas, concert center and banquet center with a private bar. Additionally, the building is described as having "ultra-modern men's and women's bathrooms." Dolder wrote in part, "The building clearly stands-out in relation to any restaurant in the county and extended market area." A copy of the subject's property record card was included along with exterior photographs and interior photographs drawn from the website of the operator; the record card lacks a date of construction and/or any renovation permit and/or cost information.

At page 2 of the memorandum there is reference to concerns about the determination of the Property Tax Appeal Board on this property in Docket No. 16-06776.001-C-1 which was issued on July 21, 2020. This portion of the board of review's memorandum has not been further considered herein as the LaSalle County Board of Review had the opportunity to pursue review

under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code (35 ILCS 200/16-195) and failed to do so.¹

In response to the three comparables presented by the appellant for both market value and equity evidence, the memorandum addresses each property individually. Appellant's comparable #1 is described as located in the heart of LaSalle's downtown district. The building is described in the memorandum as a 1.5-story building of concrete block exterior construction. At the time the property sold in average- condition, it had been used as an auto tire sales/service facility with a display room and minimally improved shop area. The upper floor was "minimally-improved and used for only storage." The board of review contends this property is significantly inferior to the subject and should not have been included as a comparable property as it shares no similarities with the subject. The listing information indicated this property was offered as an office and storefront. The applicable property record card includes primarily exterior photographs of the structure since the date of purchase and one interior photograph dated in 2020. Since the purchase, the building's upper story has been renovated to two apartments.

As to appellant's comparable #2, Dolder reports the first floor was used as a retail space and the second floor had two one-bedroom apartments while the third floor was offered as "gutted and waiting for your plan." The building was in average- condition at the time of sale. Again, Dolder contends this property should not have been included as a comparable as it shares no similarities with the subject. The applicable property record includes only exterior photographs dated from 2012 to 2021.

Appellant's sale comparable #3 is noted in Dolder's memorandum as having sold after the valuation date at issue of January 1, 2020. Therefore, the board of review summarily contends this property is ineligible due to "requirements of PTAB which mandate that comparable sales close within three years prior to the year of assessment."

In support of the subject's assessment on market value grounds, board of review comparable sales #4 through #9 are described in the memorandum and their respective property record cards. The properties are located in either Peru or LaSalle. The parcels range in size from .17 to .69 of an acre and are improved with either one-story, two-story or part two-story and part one-story buildings which range in size from 3,000 to 8,072 square feet of building area. While no age data was provided for comparable sale #5, the remaining five comparable sales presented by the board of review range in age from 28 to 119 years old. Two comparables have restaurant use, two comparables are office buildings and two comparables are pre-engineered steel buildings with a small percentage of office/display space where the majority of the structure is used for storage/warehouse space. These six comparables sold from January 2017 to December 2019 for prices ranging from \$175,000 to \$450,000 or from \$34.68 to \$81.51 per square foot of building area, including land.

¹ Of note, the LaSalle County Board of Review claimed no consideration was given to the nature of the subject's improvements, evidenced by the interior photographs, "which are available on their web site and are now attached." Procedurally, the Property Tax Appeal Board does not engage in external investigation and only can weigh the evidence and documents presented to the Board. Furthermore, and contrary to the board of review's contention, no interior photographs of the subject property were supplied with Docket No. 16-06776.001-C-1.

The "Comparable Sales – Market Value Adjustment Grid" further outlines adjustments that are also described in the board of review's memorandum. Board of review comparable sale #4 is argued in Dolder's memorandum as superior in site size/relative value when compared to the subject with inferior improvements and overall condition, but after adjustments, the subject is deemed to be 15% superior to this comparable sale for a unit value of \$64.11 per square foot of building area, including land. Board of review comparable sale #5 has an inferior location in the floodplain with consistent flooding of the building and is otherwise inferior to the subject in improvements and condition according to Dolder. The memorandum argues that after market-extracted adjustments are made, the subject is considered to be 65% superior to this property resulting in a unit value of \$57.22 per square foot. As to Board of review sale #6, there are similar summary assertions regarding site size, improvements and condition with an opined unit value 20% inferior to this comparable sale or \$65.21 per square foot. Likewise, Dolder has made summary assertions relative to the subject and comparable sale #7 concluding that the subject is 5% superior to this property for an indicated unit value of \$59.27 per square foot. For board of review comparable sale #8, the memorandum asserts that the subject is 55% superior to this property resulting in a unit value of \$64.59 per square foot. The last board of review comparable sale #9 is similarly described, where the subject is opined to be 55% superior to comparable #9 resulting in a unit value of \$65.39 per square foot.

In light of the foregoing analysis performed by the LaSalle County Board of Review, the memorandum contends that the subject's estimated market value should be \$62.50 per square foot of building area or a market value of \$562,500.

On grounds of assessment equity, the board of review supplied data on board of review equity comparables #4, #5 and #6. These comparables are located in either LaSalle or Peru and are each improved with one-story buildings that range in size from 2,994 to 5,586 square feet of building area. Based on the underlying property record cards, these comparables have improvement assessments ranging from \$57,732 to \$102,410 or from \$16.46 to \$19.28 per square foot of building area.

Commencing on page 10 of the memorandum, the board of review's equity evidence is further addressed and argued that the subject property is dissimilar from the appellant's comparables #1 and #2 since the subject is "the Taj Mahal of all restaurants within the entire multi-county area." The board of review concluding that the subject property at an assessment of \$16.70 per square foot of building area is within the range of board of review equity comparables #4, #5 and #6. However, the board of review argued that after considering adjustments for differences as depicted in its "Comparable Equity – Adjustment Grid," the subject should be assessed at \$17.70 per square foot of building area for an increased improvement assessment of \$159,300.

Based upon the foregoing analysis and evidence concerning both market value and equity, the board of review requests an increase in the subject's total assessment to \$186,201.

In rebuttal, the appellant argued that the 2016 tax year decision of the Property Tax Appeal Board was correct and noted that only after twenty years of occupancy when the building needed it, interior renovations were performed resulting in a doubling of the property taxes. The appellant also raised recent economic conditions which did not exist as of January 1, 2020, the assessment date at issue herein, and will not be further considered. In conclusion, the appellant

requested that the subject's assessment remain unchanged from the Board's prior 2016 tax year decision.

Conclusion of Law

The taxpayer in part contends assessment inequity as a 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 characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the record evidence supports a reduction in the subject's assessment due to lack of assessment equity.

The parties submitted a total of six equity comparables to support their respective positions before the Property Tax Appeal Board. The Board has given reduced weight to appellant's comparables #1 and #2 which operate as retail storefronts, different from the subject restaurant use.

The Board finds the best evidence of assessment equity to be appellant's comparable #3 along with board of review equity comparables #4, #5 and #6 which are similar one-story structures to the subject which range in size from 2,994 to 5,750 square feet of building area. These comparables have improvement assessments ranging from \$25,326 to \$102,410 or from \$4.41 to \$19.28 per square foot of building area. The subject's improvement assessment of \$150,288 or \$16.70 per square foot of building area falls within the range of the equity comparables in this record on a per-square-foot basis but does not appear to be justified given the subject's substantially larger building size of 9,000 square feet. Accepted real estate valuation theory provides that all factors being equal, as the size of the property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. Given reported differences in the comparables presented and giving due consideration primarily to the board of review equity comparables which each have restaurant use like the subject, the Board finds the record evidence demonstrates with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is justified.

In the alternative, 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). Except in counties with more than 200,000 inhabitants that classify property, property is to be valued at 33 1/3% of fair cash value. (35 ILCS 200/9-145(a)). Fair cash value is defined in the Property Tax Code as "[t]he 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 Illinois Supreme Court has construed "fair cash value" to mean 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 so to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970).

To be clear, on market value grounds, given the uniqueness of the subject property in the local market area, both parties had difficulty in presenting comparables of similar age, size, story height and/or use as the subject property. In this circumstance, both parties would have been well-served to engage the services of a professional appraiser who would have the skill, knowledge and expertise to support an estimated value conclusion for the subject property as of the valuation date at issue.

As an initial matter, the Property Tax Appeal Board gives no consideration to the LaSalle County Board of Review's assertion that appellant's comparable sale #3 may not be considered on grounds that PTAB mandates that "comparable sales close within three years prior to the year of assessment." It is clearly stated in the Board's published rules at Section 1910.65(c)(4) that proof of the market value of the subject property with the use of comparable sales may consist of "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." (86 Ill.Admin.Code §1910.65(c)(4)) Thus, Dolder's contention that comparable sales must occur within three years prior to the assessment date at issue is wholly false; the sales must only be "recent" and a sale that occurs 31 days after the assessment date at issue certainly would qualify as a recent sale for the valuation date of January 1, 2020.

Furthermore, the Property Tax Appeal Board has given little weight to the "market-extracted" adjustments set forth on the board of review's "Market Value Adjustment Grid." The Board finds there is no indication who prepared the analysis, the data used to develop the analysis and/or the qualifications of the preparer of the adjustment analysis, among other issues. In this regard, the Board further takes notice that the respective property record cards lack significant characteristic details of the comparables such as date of construction, story height (which is found on the applicable schematic drawing), exterior construction, foundation type and/or air conditioning amenity. Likewise, these characteristics that are necessary for an adequate analysis of comparability to the subject are also lacking in the grid analysis submitted by the board of review such as would be found on page two of the "Board of Review – Notes on Appeal" document.

Having thoroughly examined the market value evidence in the record and considering the reduction issued for lack of assessment equity, the Property Tax Appeal Board hereby finds that the subject's estimated market value is now correct and no further reduction on market value grounds is warranted on this record.

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 15, 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

Ray Anderes
601 1st Street
Lasalle, IL 61301

COUNTY

LaSalle County Board of Review
LaSalle County Government Center
707 Etna Road
Ottawa, IL 61350