



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

APPELLANT: Jaroslaw & Dorota Jozwiak
DOCKET NO.: 21-05288.001-R-1
PARCEL NO.: 06-35-407-049

The parties of record before the Property Tax Appeal Board are Jaroslaw & Dorota Jozwiak, the appellant, by attorney Scott Shudnow, of Shudnow & Shudnow, Ltd. in Chicago; and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$24,184
IMPR.: \$121,756
TOTAL: \$145,940

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Kane County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2021 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 2.5-story multi-family apartment building containing five, 2-bedroom units and one, 1-bedroom unit. The building has brick and masonry exterior construction with 5,304 square feet of building area and was constructed in approximately 1972. Features of the property include a basement which includes the 1-bedroom unit, an off street parking lot and four balconies. The property has a 16,000 square foot site and is located in South Elgin, Elgin Township, Kane County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument the appellants submitted an appraisal estimating the subject property had a market value of \$335,000 as of January 1, 2019. The appraisal was prepared by Garry Nusinow, a Certified General Real Estate appraiser. The intended use of the appraisal was to provide a basis for appeal of

assessment place against the property for ad valorem taxation by the Kane County Assessor's Office.

The appraiser developed the sales comparison and income approaches to value.

In developing the sales comparison approach to value, the appraiser utilized three comparable sales located from 0.04 to 2.92 miles from the subject property. The comparables have sites ranging in size from 13,691 to 22,651 square feet of land area and are improved with either a 2-story or a 2.5-story building each described as average in quality and condition and containing six or seven 1-bedroom or 2-bedroom units. The properties were built in 1969. Each comparable has a basement, window unit cooling and off street parking. Comparable #2 has a seven-car garage. The comparables sold in August or November 2017 for prices ranging from \$336,000 to \$360,000 or from \$58.33 to \$69.77 per square foot of building area and from \$45,000 to \$56,667 per rental unit, including land. Based on these sales the appraiser arrived at an opinion of value for the subject, under the sales comparison approach to value, of \$335,000 or \$63.16 per square foot of building area and \$55,833 per rental unit, land included.

In developing the income approach to value, the appraiser utilized three rental comparables located from 0.03 to 1.19 miles from the subject property that have varying degrees of similarity to the subject. The appraiser reconciled monthly market rents, arriving at per square foot rental rates from \$0.96 to \$1.11 for the subject's six units and an estimated monthly rent totaling \$5,120 for the subject property. The appraiser added miscellaneous income, applied a 5% vacancy and collection loss rate and subtracted estimated annual expenses concluding the subject property to have an annual net operating income of \$28,371. A capitalization rate of 9.4% was then applied to the net operating income to obtain an opinion of value based on the income approach of \$300,000 or \$56.56 per square foot of building area and \$50,000 per rental unit, land included.

In reconciling the two approaches to value, the appraiser indicated that the sales comparison approach was given "considerable" weight since this approach to value reflects the behavior of market participants arriving at a final opinion of value for the subject property of \$335,000 or \$63.16 per square foot of building area and \$55,833 per rental unit, land included. Based on this evidence, the appellants requested the subject's assessment be reduced to reflect the appraised value of the subject property when applying 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 \$145,940. The subject's assessment reflects a market value of \$437,864 or \$82.55 per square foot of building area and \$72,977 per rental unit, land included, when using the 2021 three-year average median level of assessment for Kane County of 33.33% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review, through the Elgin Township Assessor, submitted information on five comparable sales located from 0.06 of a mile to 4.58 miles from the subject property. The comparables have sites that range in size from 9,900 to 16,000 square feet of land area and are improved with three-story multi-family buildings of brick exterior construction each with six apartment units. Each rental unit has either 1-bedroom or 2-bedrooms and window unit cooling. The buildings range in size from 5,103 to

6,336 square feet of building area and were built from 1964 to 1973. Two comparables each have a 6-car garage. The properties sold from June 2019 to January 2020 for prices ranging from \$448,000 to \$490,000 or from \$72.60 to \$90.50 per square foot of building area and from \$74,667 to \$81,667 per rental unit, land included.

The board of review also submitted written comments from the Elgin Township Assessor critiquing the appellants' appraisal as having a January 1, 2019 effective date. The assessor stated that appraisal comparable #1 is a foreclosure that sold in 2017 and that comparables #2 and #3 are "motel style" buildings with entrances to each unit on the exterior of the building. The assessor also contended these properties sold at the low end of the value range. The assessor argued the subject property "is not an investment grade property" and that the income approach to value was "not a reliable indicator of value" for the subject property.

The assessor noted that each of its comparables are similar 6-unit buildings and that comparable #1 is an identical building located in the same development as the subject which sold for \$90.50 per square foot of building area, land included. Based on this evidence, the board of review requested the subject's assessment be confirmed.

In a rebuttal brief the appellants' attorney put forth several arguments. To summarize, counsel critiqued the board of review's comparables stating none had been adjusted for differences with the subject, that four of the comparables are located too far from the subject property and that one of the comparables "dramatically" renovated and not comparable to the subject. Given each of these arguments counsel again requested the subject's assessment be reduced to reflect its appraised value.

Conclusion of Law

The appellants contend 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 appellants did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellants submitted an appraisal while the board of review submitted five comparable sales.

The Board finds the appraisal submitted by the appellants has an effective date of January 1, 2019 and that the comparable properties selected by the appraiser all sold 2017, more than three years prior to the January 1, 2021 assessment date at issue. As a result, little weight is given to the opinion of value for the subject as presented in the appraisal. The Board gives less weight to the board of review's comparable #1, which, based on evidence in the record, appears to be superior in condition to the subject.

The Board finds the best evidence of market value to be board of review comparables #2, #3, #4 and #5 which sold more proximate to the assessment date at issue and are similar to the subject in age, design, building area and other features. These best comparables sold from June 2019 to January 2020 for prices ranging from \$448,000 to \$490,000 or from \$72.60 to \$87.79 per square

foot of building area and from \$74,667 to \$81,667 per rental unit, land included. The subject's assessment reflects a market value of \$437,864 or \$82.55 per square foot of building area and \$72,977 per rental unit, land included which falls below the range established by the best comparables in this record on an overall market value basis and a per rental unit basis and within the range on a per square foot basis. After considering adjustments to the best comparables, the Board finds 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:

July 18, 2023



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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