



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

APPELLANT: Craig Norrenberns
DOCKET NO.: 22-03149.001-C-1
PARCEL NO.: 10-29.0-302-018

The parties of record before the Property Tax Appeal Board are Craig Norrenberns, the appellant, and the St. Clair 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 **St. Clair** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$90,008
IMPR.: \$220,525
TOTAL: \$310,533

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision 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 assessment for the 2022 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 masonry construction with approximately 25,440 square feet of building area. The building was constructed in 1970 and is approximately 52 years old. Features of the building include an eave height of 12 to 14 feet, a loading dock, gas fired forced air furnaces equipped with central air conditioning, three-phase electricity, employees' restrooms, a sprinkler system, and video surveillance. The building is divided into two units with one unit containing 8,760 square feet of building area described as a rental unit and the second unit with 16,680 square feet of building area described as a supermarket. The property has a 2.06-acre or 89,734 square foot site resulting in a land to building ratio of 3.53:1. The property is in Mascoutah, Mascoutah Township, St. Clair County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant complete Section IV – Recent Sale Data of the appeal form disclosing the subject property was purchased in August 2022 for a price of \$400,000. The appellant identified the

seller as Publicani Investments Corp. and indicated the parties to the transaction were not related. However, the appellant further indicated the property was sold out of bankruptcy and had not been advertised for sale. The appellant submitted no other documentation associated with the purchase transaction.

In further support of the overvaluation argument the appellant submitted a narrative appraisal estimating the subject property had a market value of \$636,000 as of May 4, 2022. The appraisal was prepared by Carrie L. Eye, an Illinois Certified General Real Estate Appraiser, of Collier Appraisers, Ltd. The client and intended user of the report was identified as First National Bank of Waterloo, as well as auditors and/or underwriters affiliated with the First National Bank of Waterloo. The intended use of the report was to provide an opinion of market value for mortgage loan purposes. The property rights appraised are fee simple.

On page 24 of the report the appraiser stated that the subject property was currently under contract of sale for a price of \$455,100 plus 70% of the retail price of the inventory (not to exceed \$200,000). She further indicated the sale was a result of bankruptcy.

The appraiser explained the subject property is located in Mascoutah, Illinois, which is within a general area often referred to as the "Metro-East" portion of the Greater Metropolitan St. Louis Area. She explained that "Metro-East" is a term often used to identify that portion of the Greater Metropolitan St. Louis Area which lies east of the Mississippi River.

The appraiser determined the highest and best use of the land or site as vacant was for commercially related purposes. The highest and best use as improved was determined to be the current or similar use.

In estimating the market value of the subject property, the appraiser developed only the sales comparison approach to value as per the client's request. The appraiser explained that due to the absence of sales of similar properties in Mascoutah, it was necessary to expand the search for sales to include other nearby "Metro-East" communities. The appraiser identified three comparable sales located in the Illinois communities of Hamel, Troy, and Belleville. The comparable located in Hamel was improved with a supermarket that was built in 2007 and has 17,987 square feet of building area. She further explained that there are also several retail suites, most of which were vacant at the time of sale. The comparable has an eave height of 18 feet, a 912 square foot truck well at the rear of the building, and a 161,000 square foot site resulting in a land to building ratio of 8.95:1. The property sold in August 2021 for a price of \$1,300,000 or \$72.27 per square foot of building area, including land. Comparable #2, located in Troy, was composed of a 21,596 square foot supermarket that was approximately 30 years old at the time of sale. The property was vacant at the time of sale but had an entry foyer, larger retail area, delicatessen area, meat department, storage areas, bakery, restrooms, former pharmacy area, and a 1,000 square foot mezzanine area with offices and a breakroom. The property had a 140,150 square foot site resulting in a land to building ratio of 6.49:1. The property sold in December 2019 for a price of \$425,000 or \$19.68 per square foot of building area, including land. The appraisal indicated the grantor was a bankruptcy trustee. Comparable #3 was located in Belleville and improved with a 66,417 square foot supermarket that was built in 1994. The building has an eave height of 20 feet and was vacant at the time of sale. The property has a 9.50-acre or 413,820 square foot site resulting in a land to building ratio of 6.23:1. The property

sold in August 2020 for a price of \$1,400,000 or \$21.08 per square foot of building area, including land. After the purchase the comparable was converted into self-storage units.

The appraiser used qualitative adjustments to make the comparables more equivalent to the subject property. The appraiser considered adjusting the comparables for such factors as financing terms, market conditions (time), effective age, condition, quality of construction, design, functional utility, size, and land to building ratio. The comparables had unit prices ranging from \$19.68 to \$72.27 per square foot of building area, including land. The adjusted unit prices ranged from \$17.17 to \$32.75 per square foot of building area, including land. Based on this analysis, the appraiser determined that \$25.00 per square foot of building area was a reasonable value to assign the subject property and concluded a total estimated market value for the subject of \$636,000.

Based on this evidence the appellant requested the subject's total assessment be reduced to \$212,000.

The appellant submitted a copy of the Notice of Final Decision on Assessed Value by Board of Review disclosing the subject's assessment was increased from \$310,533 to \$320,625 by the application of a township equalization factor of 1.0325. The subject's total equalized assessment reflects a market value of \$961,106 or \$37.78 per square foot of building area, including land, when using the 2022 three-year average median level of assessment for St. Clair County of 33.36% as determined by the Illinois Department of Revenue.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject prior to equalization of \$310,533. The board of review indicated that a township equalization factor of 1.0325 was applied in tax year 2022. The board of review further indicated that the appellant had not filed a complaint before the board of review and did not appear before the board of review upon proper notice.

In support of its contention of the correct assessment the board of review presented information on five comparable sales located in Mascoutah. The comparables are improved with one-story commercial buildings that range in size from 3,600 to 10,640 square feet of building area. The buildings were built from 1962 to 1998 but have effective construction dates ranging from 1980 to 2008. As descriptive documentation the board of review provided copies of the property record cards for each of the comparables. These properties sold from March 2019 to December 2021 for prices ranging from \$95,000 to \$350,000 or from \$20.32 to \$97.22 per square foot of building area, including land.¹ Based on this data the board of review was of the opinion the value of the subject property was fair.

The board of review also submitted a copy of the subject's property record card also disclosing the subject property sold in August 2022 for a price of \$400,000.

¹ It appears that board of review comparable sales #2 and #3, rather than being two sales, were the subject matter of one transaction as these two properties are located adjacent to each other and sold on the same date, April 15, 2021, for the same price of \$350,000. Using the combined building area of these two properties of 7,920 square feet and the sales price of \$350,000 results in a unit price of \$44.19 per square foot of building area, land included, which is more similar to the three other sales submitted by the board of review on a price per square foot of building area basis.

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 best evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$636,000 as of May 4, 2022.² The appraisal contained three comparable sales that were improved with buildings similar to the subject and located in the Metro-East area. The comparable sales contained in the appellant's appraisal were more similar to the subject property in building size than the comparables presented by the board of review. Additionally, the appraiser's adjustments to the comparables for differences from the subject were logical and consistent. Furthermore, the appellant, the appellant's appraiser, and the evidence provided by the board of review all disclosed the subject property was purchased on or about August 2022 for a price of approximately \$400,000 or \$455,000. Although this transaction was the result of bankruptcy and may not be truly indicative of fair cash value, the purchase price supports the conclusion the subject's assessment reflecting a fair cash value of \$961,106 is excessive. Based upon the evidence submitted, the Board finds that a reduction in the subject's assessment is supported.

The Board further finds; however, the record indicates that the appellant did not file an assessment complaint with the board of review but appealed the assessment directly to the Property Tax Appeal Board based on notice of the application of a township equalization factor issued by the board of review. Due to the fact the appeal was filed after notification of a township equalization factor, the amount of relief that the Property Tax Appeal Board may grant is limited. Section 1910.60(a) of the rules of the Property Tax Appeal 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 (35 ILCS 200/16-180) 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

² The Board recognizes that the appraisal was prepared for the First National Bank of Waterloo for mortgage loan purposes and the appraisal contained some restrictions on its use, however, the board of review made no objection to the appraisal on these grounds.

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.

These provisions mean that where a taxpayer files an appeal directly to the Property Tax Appeal 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 Property Tax Appeal Board finds a reduction in the assessment of the subject property is supported. However, the reduction is limited to the increase in the assessment caused by the application of the township 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:

May 21, 2024



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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