



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

APPELLANT: Jackson Family Limited Partnership
DOCKET NO.: 22-03421.001-C-2
PARCEL NO.: 14-13.0-479-013

The parties of record before the Property Tax Appeal Board are Jackson Family Limited Partnership, the appellant, by attorney Mike McCormick, of Erwin Martinkus & Cole LTD in Champaign; 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:

LAND: \$185,370
IMPR.: \$209,880
TOTAL: \$395,250

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of 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 2022 tax year after notice of application of a township equalization factor. The Property Tax Appeal Board finds that it has limited jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a 1-story building with a total 11,209 square feet of gross building area where 10,849 square feet is located on the first floor and 360 square feet is a second floor finished mezzanine.¹ The building was constructed in 1999 and has masonry exterior construction, a concrete slab foundation and two automatic 10' x 10' foot overhead doors. The property has a 1.15-acre or 50,094 square foot site size with a 4.62:1 land-to-building ratio that 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 \$825,000

¹ The Board finds the best source of the subject's building size was found in the appraisal submitted by the appellant which contained a more detailed sketch of the subject than the sketch submitted by the board of review.

as of December 18, 2020. The appraisal was prepared by Joseph M. Webster, MAI and Certified General Real Estate Appraiser. The report was developed for lender/client Busey Bank in support of a mortgage transaction and no other purpose.

The appraiser described the subject as “a shell,” noting the property lacked interior partitioning and plumbing fixtures. In support of this description, the appraiser submitted interior photographs depicting an open interior where some flooring was visibly missing and/or broken. Given the subject’s present characteristics and location, the appraiser opined the highest and best use of the site, as improved, is for a retail property.

In estimating the market value of the subject property, the appraiser developed the sales comparison and income approaches to value.

For the sales comparison approach, the appraiser selected four closed sales and one active listing of former retail properties located in either Springfield or Bloomington. The comparables have varying degrees of similarity to the subject in site size, age, gross building area and other features. Four of the comparables sold from July 2019 to January 2020 for prices ranging from of \$239,900 to \$1,300,000 or from \$76.47 to \$117.30 per square foot of building area, land included. Comparable #5 has a list price of \$1,325,000 or \$111.45 per square foot of building area. The appraiser adjusted the comparables for active listing status and other differences with the subject arriving at adjusted per square foot sale prices ranging from \$83.01 to \$100.31 and an opinion of market value for the subject of \$97.50 per square foot.

In lieu of adjusting each comparable for the subject’s “shell” interior condition, the appraiser opined a cost of \$300,000 to buildout the subject property, opining a buyer of the property would be required to pay this amount prior to actual use of the property. Given the per square foot opinion of market value for the subject of \$97.50, gross building area of 11,209 and a buildout expense of \$300,000, the appraiser opined the subject’s market value under the sales comparison approach to be \$795,000, rounded. $((11,209 \times \$97.50) - \$300,000) = \$792,878$.

In developing the income approach to value, the appraiser opined the subject had a market rent of \$9.50 per square foot and a potential gross income of \$106,486. The appraiser subtracted a vacancy and collection loss of 5.26% of potential gross income and total expenses of \$11,421 resulting in a net operating income (NOI) of \$89,741. The appraiser determined a capitalization rate for the subject under the band of investment technique of 0.078%. Dividing the NOI by the capitalization rate results in an inferred market value for the subject property of \$1,149,052, from which the appraiser subtracted the \$300,000 buildout expense to arrive at the opinion of value under the income approach of \$850,000, rounded.

Reconciling the two approaches to value, the appraiser concluded the subject had a market value of \$825,000 as of December 18, 2020. Based on this evidence, the appellant requested the subject’s assessment be reduced to reflect the subject’s appraised value when applying the statutory assessment level of 33.33%.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$410,625. The subject's assessment reflects a market value of \$1,233,108 or \$110.01 per square foot of building area, land included, when using a gross

building area of 11,209 square feet and the 2022 three-year average median level of assessment for Sangamon County of 33.30% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on four comparables located in Springfield and from 3.5 to 13.0 miles from the subject property. The comparables have sites that range in size from 29,935 to 99,360 square feet of land area or land-to-building ratios of 2.48:1 to 9.81:1. The parcels are improved with 1-story buildings of brick or concrete block exterior construction ranging in size from 10,125 to 12,070 square feet of building area that were built from 1962 to 2008. Each comparable is depicted as a retail property. The comparables sold from March to November 2022 for prices ranging from \$755,000 to \$4,504,505 or from \$70.43 to \$444.89 per square foot of building area, land included.

The board of review also submitted listing information for the subject property which depicts the property was listed for sale in April 2020 for a price of \$1,175,000 and had cumulative days on market of 1,128. The listing information disclosed the subject property was actively listed as of January 1, 2024 for a price of \$990,000. The board of review also included comments in its Notes on Appeal indicating the appellant did not file a property tax complaint at the local level. Based on this evidence, the board of review requested the subject's assessment be confirmed.

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 evidence in this record supports a reduction in the subject's assessment. However, the record indicates the appellant did not file a complaint with the board of review but appealed the subject's assessment directly to the Property Tax Appeal Board after notice of the application of an equalization factor. Since the appeal was filed after notification of an 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 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 when 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 equalization factor.

The appellant submitted an appraisal and the board of review submitted four comparable sales along with evidence the subject property was actively listed for the Board's consideration. The Board finds the comparables utilized by the appraiser are less proximate in time to the January 1, 2022 lien date and 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 board of review comparable #1 which is substantially older in age when compared to the subject. The Board also gives less weight to board of review comparable #3 which sold for a per square foot price substantially higher than other comparables in the record and therefore appears to be an outlier.

The Board finds the best evidence of market value to be the subject's list price for \$990,000 along with board of review comparable sales #2 and #4 which are identical or similar to the subject in location, age, building size, site size and other features. The board of review comparables sold in March and November 2022 for prices of \$755,000 and \$1,230,000 or \$71.09 and \$112.64 per square foot of building area, including land. The subject has a January 2024 list price of \$990,000 or \$83.83 per square foot building area. The subject's assessment reflects a market value of \$1,233,108 or \$110.01 per square foot of building area, including land, which falls above the range established by the comparables on an overall market value basis and within the range established by the best comparables in the record on a per square foot basis. However, the subject's listing information depicted days on market in excess of three years and a list price reflecting a per square foot market value of \$83.83 which falls well below the subject's per square foot market value based on its assessment. Therefore, after considering adjustments to the comparables for differences with the subject, the Board finds a reduction in the subject's assessment is justified.

Furthermore, the subject's list price of \$990,000, without sale, provides further market support that the subject's market value based on assessment exceeds the subject's fair market value. The Illinois Supreme Court has held that a contemporaneous sale between two parties dealing at arm's length is not only relevant to the question of fair cash value but practically conclusive on the issue on whether the assessment is reflective of market value. Korzen v. Belt Railway co. of Chicago, 37 Ill.2d 158 (1967) While an active listing is not an arm's length sale, the subject's listing price, lengthy days on market and lack of closed sale provides additional support for a reduction in the subject's assessment.

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

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 19, 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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