



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

APPELLANT: Kenneth Keating
DOCKET NO.: 22-03728.001-C-2
PARCEL NO.: 02-1-04832-000

The parties of record before the Property Tax Appeal Board are Kenneth Keating, the appellant, by attorney Tyler Weaver, of Geisler & Weaver in Charleston; and the Coles 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 **Coles** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$47,215
IMPR.: \$337,785
TOTAL: \$385,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Coles 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 3.5-story commercial building of frame exterior construction with 25,678 square feet of gross building area.¹ The building was constructed in 1980 and is approximately 42 years old. Features include central air conditioning, 38 apartment units, 3 non-residential units, a common laundry area, and a lower level maintenance area. The property has a 45,312 square foot site and is located in Charleston, Charleston Township, Coles County.

The appellant contends both overvaluation and a contention of law as the bases of the appeal. In support of the overvaluation argument, the appellant submitted an appraisal prepared by Ronald C. Rardin, a certified general real estate appraiser, estimating the subject property had a market

¹ The parties differ regarding the subject's building size. The Board finds the best evidence of building size is found in the appellant's appraisal which contains a sketch with more detailed measurements of the subject building than the subject's property record card.

value of \$1,155,000 as of January 1, 2022. The appraiser noted one non-residential unit is vacant and non-functional. The appraisal includes two parcels (one of which is the subject parcel and the second of which is a parcel that is the subject of another appeal before the Board), but the appraiser developed an independent value for each parcel under the sales comparison approach.

Under the sales comparison approach for the subject property, the appraiser selected four comparable sales located in Charleston. The parcels range in size from 20,250 square feet to 15.3 acres of land area. Comparable #1 is improved with two 3-story apartment buildings totaling 24 units and a parking garage. Comparable #2 is improved with one 3-story apartment building with 16 units. Comparable #3 is improved with two apartment buildings and two houses totaling 18 units. Comparable #4 is improved with eight 3-story apartment buildings, an office, a parking garage, a basketball court, and walking trails. These comparable buildings range in size from 12,303 to 242,563 square feet of gross building area and range in age from 18 to 52 years old. The comparables sold in May 2019 or September 2021 for prices ranging from \$550,000 to \$6,630,000 or from \$27.33 to \$58.08 per square foot of gross building area, including land. The appraiser made adjustments to the comparables for differences from the subject, ranging from -25% to 30%, to arrive at adjusted prices ranging from \$25.96 to \$52.27 per square foot. Based on this analysis, the appraiser concluded a value for the subject parcel of \$1,027,120 or \$40.00 per square foot or \$1,155,000 or \$35,000 per unit.

Under the income approach, the appraiser selected five rent comparables and concluded the subject's rents are typical for the market. The appraiser concluded potential gross income for both parcels of \$448,320. The appraiser next concluded 18% vacancy and collection losses based on a survey of the rental market, to arrive at effective gross income for both parcels of \$367,623. The appraiser noted the subject has a vacant unit that is not producing income. The appraiser estimated expenses for both parcels totaling \$124,884, to arrive at net operating income of \$242,739. For the capitalization rate, the appraiser used the band of investment technique to compute an 8.47% rate or 11.49% loaded. Based on the foregoing, the appraiser concluded a value of \$2,112,600 for both parcels.

The income approach was given secondary weight due to the trend of vacancy in the subject and comparable properties. The appraiser concluded a value of \$1,155,000 for the subject parcel as of January 1, 2022.

In support of the contention of law, the appellant submitted a brief contending that the subject was non-uniformly reassessed in a non-general assessment tax year compared to other comparable properties, citing to Section 9-215 of the Property Tax Code (35 ILCS 200/9-215) and Albee v. Soat, 315 Ill. App. 3d 888 (2d Dist. 2000). The appellant asserted 2021 was the first year of the general assessment period and there was no reason for the subject's assessment to be revised or corrected for the 2022 tax year pursuant to Section 9-75 of the Property Tax Code (35 ILCS 200/9-75), such as an incorrect assessment for the prior tax year or additions to the subject property. The appellant asserted the subject is a Class 0050 commercial property with six or more units and the appellant identified 171 Class 0050 properties in Coles County based on records obtained from the county. The appellant argued that 28 Class 0050 properties were not reassessed in Coles County for the 2022 tax year. The appellant argued that similar properties must be assessed using the same basis, citing to Walsh v. Property Tax Appeal Bd., 181 Ill. 2d 228 (1998).

The appellant presented a property information printout describing the subject's board of review equalized assessment for the 2021 tax year as \$208,812. The appellant also submitted property and assessment information regarding Class 0050 properties in Coles County, including a spreadsheet depicting the changes in assessments from 2021 to 2022.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$208,812, which would reflect a market value of \$626,499 or \$24.40 per square foot of gross building area, including land, when applying the statutory level of assessment of 33.33%, or in the alternative a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$385,000. The subject's assessment reflects a market value of \$1,143,451 or \$44.53 per square foot of gross building area, land included, when using the 2022 three year average median level of assessment for Coles County of 33.67% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on five comparable sales located within 12 blocks of the subject. The comparables have varying degrees of similarity to the subject and sold from March to December 2022 for prices ranging from \$1,000,000 to \$3,600,000 or from \$47.00 to \$90.00 per square foot of gross building area.

The board of review submitted a brief contending that all Class 0050 properties in Coles County were reassessed in 2022. However, the board of review acknowledged that fourteen properties were omitted from reassessment as Section 42 housing; three properties were omitted from reassessment due to being parking or vacant lots; six properties were omitted from reassessment due to being coded incorrectly as Class 0050 properties; and five properties received no assessment change due to being within the range of reassessment. Based on this evidence, the board of review requested the subject's assessment be sustained.

In written rebuttal, the appellant argued the board of review's evidence demonstrates all properties of the same class were not reassessed in 2022. The appellant contended two parking lot properties have improvements that were not reassessed and six properties receiving classification changes were either not changed for the 2022 tax year or were incorrectly changed based on number of units given a Class 0050 property has six or more units. With regard to the fourteen Section 42 properties identified by the board of review, the appellant argued the board of review presented no legal authority to exempt these properties from reassessment, and five of those properties are not Section 42 properties. Furthermore, the appellant contended the board of review admitted it did not change the assessment for some Class 0050 properties. The appellant argued the assessments of these properties do not reflect their market values and/or were increased only by the application of an equalization factor.

Conclusion of Law

The appellant contends in part 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 record contains an appraisal presented by the appellant and five comparable sales presented by the board of review. The Board gave less weight to the appellant's appraisal. The Board finds the appraiser selected comparable sales that differ substantially from the subject in building size and other features, which required large adjustments for differences from the subject. Under the income approach, the Board finds the appraiser did not develop an independent value for the subject. For these reasons, the Board finds the appraisal states a less credible and/or reliable opinion of value and shall instead consider the raw sales data presented by the parties.

The record contains a total of nine comparable sales for the Board's consideration. The Board gave less weight to the appraisal sales #2, #3, and #4 and the board of review's comparables #1 and #2, due to substantial differences from the subject in building size. The Board finds the best evidence of market value to be appraisal sale #1 and the board of review's comparables #3, #4, and #5, which are more similar to the subject in building size, but have varying degrees of similarity to the subject in age, lot size, and features, suggesting adjustments to these comparables would be needed to make them more equivalent to the subject. These comparables sold for prices ranging from \$640,000 to \$1,810,000 or from \$38.65 to \$60.00 per square foot of gross building area, including land. The subject's assessment reflects a market value of \$1,143,451 or \$44.53 per square foot of gross building area, land included, which is within the range established by the best comparables in this record. Based on this evidence, and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds a reduction in the subject's assessment for overvaluation is not justified.

The appellant's appeal is also based on a contention of law regarding a violation of the uniformity clause of the Illinois Constitution. The standard of proof when asserting a lack of uniformity is clear and convincing evidence. Walsh v. Property Tax Appeal Bd., 181 Ill. 2d 228, 234, 692 N.E.2d 260, 229 Ill. Dec. 487 (Ill. 1998) (citing Kankakee County Bd. of Review v. Property Tax Appeal Bd., 131 Ill. 2d 1, 20, 544 N.E.2d 762, 136 Ill. Dec. 76 (Ill. 1989)).

The appellant contended that the subject was reassessed in a non-general assessment year, but that all properties of the same class were not also reassessed using the same method. The Board finds Section 9-75 of the Property Tax Code grants county and township assessing officials the authority to "revise and correct an assessment as appears to be just." (35 ILCS 200/9-75). The Board further finds Section 9-160 of the Property Tax Code is applicable in non-general assessment years and provides in relevant part:

[T]he assessor shall list and assess all property which becomes taxable and which is not upon the general assessment, and also make and return a list of all new or added buildings, structures or other improvements of any kind, the value of which had not been previously added to or included in the valuation of the property on which such improvements have been made, specifying the property on which each of the improvements has been made, the kind of improvement and the value which, in his or her opinion, has been added to the property by the improvements. The assessment shall also include or exclude, on a proportionate basis in accordance with the provisions of Section 9-180, all new or added buildings,

structures or other improvements, the value of which was not included in the valuation of the property for that year, and all improvements which were destroyed or removed.

(35 ILCS 200/9-160). The Board further finds Section 9-205 of the Property Tax Code is applicable and provides further authority to assessing officials to reassess a class of properties:

When deemed necessary to equalize assessments between or within townships or between classes of property, or when deemed necessary to raise or lower assessments within a county or any part thereof to the level prescribed by law, changes in individual assessments may be made by a township assessor or chief county assessment officer, under Section 9-75, by application of a percentage increase or decrease to each assessment.

(35 ILCS 200/9-205).

The Board finds assessing officials have broad discretion and authority in any year to review the assessment of any property and to revise and correct that assessment as appears to be just. However, the reassessment of a property may not result in the property being assessed at a higher percentage of fair cash value than the other similar properties.

The cornerstone of uniform assessments is the fair cash value of the property and uniformity is achieved when all properties with similar fair cash values are assessed at a consistent level. Kankakee County Bd. of Review v. Illinois Prop. Tax Appeal Bd., 131 Ill. 2d 1, 16, 20-21, 544 N.E.2d 762, 136 Ill. Dec. 76 (Ill. 1989). The Illinois Constitution requires both uniformity in the level of taxation and in methodology.² Assessing officials may not use a different basis to assess or revise the assessment of one property to achieve uniformity, such as a recent sale of that property. Walsh v. Property Tax Appeal Bd., 181 Ill. 2d 228, 236, 692 N.E.2d 260, 229 Ill. Dec. 487 (Ill. 1998).

The Board finds the board of review acknowledged that all Class 0050 properties were not reassessed, but it did not present any legal authority for its omissions. Furthermore, the Board finds the board of review did not present any evidence to refute the appellant's contention that Class 0050 properties were reassessed using different methods, with the subject property receiving a substantial increase in its assessment, whereas other properties were increased only by the equalization factor.

Furthermore, the Board finds it is unclear how the reassessment served to achieve uniformity in assessment. The board of review's comparables are Class 0050 properties, which were presumably reassessed in 2022 like the subject, but one comparable is substantially under-assessed compared to its sale price.

Although the evidence in this record demonstrates the subject's reassessment appears to have been inconsistent with other similar Class 0050 properties, the Board finds the subject's

² Section 4 of Article IX of the Illinois Constitution provides that real estate taxes "shall be levied uniformly by valuation ascertained as the General Assembly shall provide by law." Ill. Const., Art. IX, § 4(a).

assessment is supported by the market value evidence in this record. Therefore, based on equity and the weight of the evidence, the Board finds no reduction in the subject's assessment is 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:

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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