



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

APPELLANT: Chick-fil-A Inc.
DOCKET NO.: 23-04151.001-C-2
PARCEL NO.: 03-28.0-405-057

The parties of record before the Property Tax Appeal Board are Chick-fil-A Inc., the appellant, by attorney Brian P. Liston, of the Law Offices of Liston & Tsantilis, P.C. in Chicago; 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: \$135,859
IMPR.: \$197,441
TOTAL: \$333,300

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 2023 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 1-story commercial/restaurant building of masonry exterior construction with 4,763 square feet of building area. The building was constructed in 2012 and is approximately 11 years old. The property has a 44,730 square foot site, a land-to-building ratio of 9.39:1, and is located in Fairview Heights, Caseyville Township, St. Clair 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 \$1,000,000 as of January 1, 2023. The appraisal was prepared by Keith J. Stewart and Edward V. Kling, certified general real estate appraisers, for ad valorem tax purposes.

Under the sales comparison approach, the appraisers selected five comparable sales located in Fairview Heights and Edwardsville. The parcels range in size from 20,556 to 75,359 square feet

of building area and are improved with 1-story commercial/restaurant buildings ranging in size from 1,730 to 3,200 square feet of building area. The buildings have land-to-building ratios from 7.32:1 to 23.74:1 and range in age from 21 to 43 years old. The comparables sold from February 2020 to May 2023 for prices ranging from \$320,000 to \$1,250,000 or from \$148.29 to \$393.70 per square foot of building area, including land. Comparable #4 was a leased fee sale. The appraisers made adjustments to the comparables for property rights conveyed and for differences from the subject in building size, land-to-building ratio, and age/condition to arrive at adjusted prices ranging from \$200.19 to \$221.68 per square foot of building area, land included. Based on this analysis the appraisers concluded a value for the subject of \$210.00 per square foot of building area or \$1,000,230 or \$1,000,000 rounded.

Under the income approach, the appraisers selected five rent comparables located in Fairview Heights, Caseyville, Cahokia, and St. Charles, Missouri. The comparables are improved with commercial/restaurant buildings or multi-tenant retail buildings with rentable area ranging in size from 2,660 to 6,726 square feet of building area. The comparables have leases commencing from June 2019 to February 2023 for rents ranging from \$21.49 to \$41.26 per square foot on a gross lease basis. Based on these comparables, the appraisers concluded market rent for the subject of \$30.00 per square foot or \$142,890. The appraisers next estimated vacancy and credit loss of 10% or \$14,289 based on market vacancy rates in the St. Louis retail market to compute effective gross income of \$128,601. The appraisers estimated expenses (not including real estate taxes) of \$20,290 based on the subject's historical data and the appraisers' knowledge of market expenses to calculate net operating income of \$108,311. The appraisers next computed a capitalization rate of 8.83% under the band of investment method, 8.20% under the debt coverage ratio method, and a range of 5.00% to 15.24% under the market capitalization method. The appraisers concluded a loaded capitalization rate of 10.80% (8.50% + 2.30%) and computed a value for the subject of \$1,002,994 or \$1,000,000 rounded.

Based on these two approaches, and giving most weight to the sales comparison approach, the appraisers concluded a market value for the subject of \$1,000,000 as of January 1, 2023.

Based on this evidence, the appellant requested 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 equalized assessment for the subject of \$447,668. The subject's assessment reflects a market value of \$1,343,138 or \$281.99 per square foot of building area, land included, when using the statutory level of assessment of 33.33%.¹ In support of its contention of the correct assessment the board of review submitted information on three comparable sales located within 0.5 of a mile from the subject. The parcels range in size from 36,411 to 51,021 square feet of land area and are improved with 1-story commercial buildings ranging in size from 2,196 to 3,283 square feet of building area. The buildings were constructed in 1993 and 2021. The comparables sold from

¹ Section 1910.50(c)(1) of the Board's procedural rules provides that in all counties other than Cook, the three-year county wide assessment level as certified by the Department of Revenue will be considered. 86 Ill. Adm. Code § 1910.50(c)(1). As of the development of this Final Administrative Decision, the Department of Revenue has not published figures for tax year 2023.

September 2020 to June 2021 for prices ranging from \$2,200,000 to \$2,700,000 or from \$688.36 to \$1,229.51 per square foot of building area, including land.

The board of review submitted property record cards for the comparables describing comparables #1 and #2 as fast-food restaurant buildings and comparable #3 as a bank building. The board of review presented Real Estate Transfer Declarations for comparables #2 and #3 indicating each property was not advertised for sale. Based on this evidence the board of review requested confirmation of the subject's assessment.

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.Adm.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.Adm.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 appellant presented an appraisal and the board of review presented three comparable sales for the Board's consideration. The Board gave less weight to the appraised value conclusion as the appraisers selected a leased fee sale as a comparable sale and made speculative adjustments to this comparable for property rights. Moreover, the appraisers selected a rent comparable in Missouri without explaining why no similar rent comparables in Illinois were available and selected two rent comparables in multi-tenant properties unlike the subject. The appraisers did not provide market data support for their estimation of expenses for the subject. For these reasons the Board finds the appraisal states a less credible and/or reliable opinion of value and the Board will instead consider the raw sales data presented by the parties.

The record contains a total of eight comparable sales for the Board's consideration. The Board gives less weight to appraisal sale #4, which was a leased fee sale, and to the board of review's comparables #2 and #3, which were disclosed to not have been advertised for sale, indicating these sales were not arm's length transactions. The Board also gives less weight to the board of review's comparable #1, which sold for considerably more than the other sales in this record, and appraisal sale #3, which sold for considerably less than the other sales in this record, suggesting these sales may be outliers.

The Board finds the best evidence of market value to be appraisal sales #1, #2, and #5, which have varying degrees of similarity to the subject in building size, location, age, land-to-building ratio, and site size. These comparables sold for prices ranging from \$580,000 to \$650,000 or from \$181.25 to \$341.04 per square foot of living area, including land. The subject's assessment reflects a market value of \$1,343,138 or \$281.99 per square foot of living area, including land, which is above the range established by the best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from the subject, such as their smaller building sizes and their older ages, the Board finds a reduction in the subject's assessment commensurate with the appellant's request 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: _____

January 21, 2025



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

Chick-fil-A Inc., by attorney:
Brian P. Liston
Law Offices of Liston & Tsantilis, P.C.
200 S. Wacker Drive
Suite 820
Chicago, IL 60606

COUNTY

St. Clair County Board of Review
St. Clair County Building
10 Public Square
Belleville, IL 62220