



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

APPELLANT: Locust Hills Village LLC
DOCKET NO.: 23-04289.001-C-3
PARCEL NO.: 04-24.0-200-034

The parties of record before the Property Tax Appeal Board are Locust Hills Village LLC, the appellant, by attorney Lisa Ann Johnson, of Amundsen Davis, LLC in St. Louis; 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: \$30,726
IMPR.: \$1,345,000
TOTAL: \$1,375,726

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 ten 2.5-story and 3-story buildings of brick, stucco, and wood siding exterior construction with a total combined 120,687 square feet of building area. The buildings were constructed from 1989 to 2013 and range in age from 10 to 34 years old. Features include 96 2-bedroom/2-bathroom apartment units, an inground swimming pool, and a clubhouse. The subject property has an 8.046-acre site and is located in Lebanon, O'Fallon Township, St. Clair County.

In support of this argument, the appellant submitted information on four equity comparables located from 13 to 16 miles from the subject. The parcels range in size from 3.82 to 10.36 acres

of land area and are improved with five to eight 2-story apartment buildings¹ ranging in total combined size from 80,014 to 141,967 square feet of building area. The buildings were constructed from 1977 to 2013 and range in age from 10 to 46 years old. The buildings have a combined number of units ranging from 72 to 120 units, consisting of 1 to 3-bedroom units or 2-bedroom/1.5-bathroom units. Comparable #2 has an inground swimming pool and a clubhouse and comparable #4 has an inground swimming pool. The comparables have improvement assessments ranging from \$749,056 to \$1,461,525, or from \$9.36 to \$12.62 per square foot of building area, or from \$6,936 to \$14,271 per unit.

The appellant submitted a brief contending the subject is primarily leased to McKendree University students and includes a clubhouse and a swimming pool. The appellant argued the comparables have similar ages compared to the subject, with comparable #2 being newer and having more amenities than the subject. The appellant stated the comparables are within the same metropolitan area as the subject, with comparables #1, #2, and #3 located closer to employment opportunities, shopping, dining, and entertainment than the subject. The appellant argued comparable #4 has a swimming pool like the subject but has more updates than the subject including parking lot resurfacing, newer landscaping, and newer roofs.

The appellant submitted a copy of the board of review final decision disclosing a total assessment for the subject of \$1,890,456. The subject has an improvement assessment of \$1,859,730, or \$15.41 per square foot of building area, or \$19,372 per unit.

Based on this evidence the appellant requested a reduction in the subject's improvement assessment to \$1,289,541, or \$10.69 per square foot of building area, or \$13,433 per unit.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$1,738,031 prior to equalization. In support of its contention of the correct assessment, the board of review asserted the income approach is the best method to value the subject. Using market rents based on three rent comparables and deductions of 20% for maintenance, 20% for management fees, and 30% vacancy and collection losses, the board of review calculated low and high net incomes based on the range of market rents of \$861,696 and \$1,206,374. The board of review applied a 10% capitalization rate to compute a low and high values for the subject of \$8,616,960 and \$12,063,740. The board of review presented online printouts to support its estimation of market rents. The board of review noted the subject did not receive a reduction from the Board the prior tax year. Based on this evidence, the board of review requested the subject's assessment be sustained.

Conclusion of Law

The taxpayer contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Adm.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the

¹ The Board finds the best evidence of the design of these comparables is found in their property record cards presented by the board of review, which were not refuted by the appellant and disclose some buildings have garden apartments which may have been reported by the appellant as a third story.

assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Adm.Code §1910.65(b). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

As an initial matter, the Board gave little weight to the income approach presented by the board of review. The Board finds this market value evidence to be non-responsive to the appellant's assessment inequity argument. Furthermore, the Board finds the board of review's estimations of expenses, vacancy and collection losses, and capitalization rate were not supported.

The Board finds the best and only evidence of assessment equity to be the comparables presented by the appellant, which have varying degrees of similarity to the subject in building size, age, location, site size, and features. Two comparables lack an inground swimming pool that is a feature of the subject and three comparables lack a clubhouse that is a feature of the subject, suggesting upward adjustments to these comparables for these features would be needed to make them more equivalent to the subject.

These comparables have improvement assessments ranging from \$749,056 to \$1,461,525, or from \$9.36 to \$12.62 per square foot of building area, or from \$6,936 to \$14,271 per unit. The subject's improvement assessment of \$1,859,730, or \$15.41 per square foot of building area, or \$19,372 per unit falls above the range established by the best comparables in this record and is excessive. Based on this record and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds the appellant demonstrated with clear and convincing evidence that the subject's improvement is not equitably assessed and a reduction in the subject's improvement 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: _____

February 18, 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

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