



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

APPELLANT: Matthew & Lisa Waibel
DOCKET NO.: 24-02699.001-C-1 through 24-02699.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Matthew & Lisa Waibel, the appellants; and the Fulton 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 **Fulton** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
24-02699.001-C-1	15-15-11-101-010	1,320	59,266	\$60,586
24-02699.002-C-1	15-15-11-101-009	1,810	2,598	\$4,408

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellants timely filed the appeal from a decision of the Fulton County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2024 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 parties appeared before the Property Tax Appeal Board on March 19, 2026 for a hearing at the Fulton County Courthouse in Lewistown pursuant to prior written notice dated February 5, 2026. Appearing was one of the appellants, Matthew Waibel, and appearing on behalf of the Fulton County Board of Review was Julie Russell, Chief County Assessment Officer and Clerk of the Fulton County Board of Review, and Fulton County State's Attorney, Justin Jochums.

The subject property consists of a 1-story apartment building of wood siding exterior construction with 4,564 square feet of building area.¹ The building was constructed in approximately 1950 and features six 1-bedroom apartment units, a workshop area, a storage area,

¹ The parties differ slightly regarding the subject's building size. The Board finds the best evidence of building size is found in the appellants' appraisal, which contains a more detailed sketch with measurements of the subject than was presented by the board of review.

and an attached storage bay with an overhead door. The property has an approximately 1.25 acre site² and is located in Banner, Banner Township, Fulton County.

The appellants contend overvaluation as the basis of the appeal. In support of this argument, the appellants submitted an appraisal estimating the subject property had a market value of \$170,000 as of January 28, 2025. The appraisal was prepared by Chad A. Beekman, a certified general real estate appraiser, for ad valorem tax purposes.

The appraiser reported the subject sold in June 2023 for a price of \$250,000 but gave no weight to this sale as the appraiser stated the buyer was under pressure to complete a 1031 exchange. The appraiser noted the property had previously been offered for sale for a price of \$180,000.

The appraiser reported the subject is located in Banner, a small rural village, that is within commuting distance of Peoria and Galesburg and is about 7 miles from Canton. The appraiser stated there is a small amount of new construction and property values are stable. The appraiser explained the subject was originally built as a 12-unit motel and was converted to apartments several years ago. The units are the same size, except for one unit that is slightly larger. The appraiser reported the subject is in average condition, except the attached storage bay has a leaking roof.

The appraiser identified the subject's zoning as C-1 General Commercial and assumed its current use as an apartment building was permitted as zoning is loosely regulated by the village of Banner. The appraiser determined the highest and best use of the subject as vacant would be a parking lot and its highest and best use as improved is its current use as an apartment building.

Under the sales comparison approach, the appraiser selected five comparable sales located in Astoria, Lewistown, Canton, Peoria, and Lincoln and from 6.49 to 39.22 miles from the subject. The parcels range in size from 0.24 to 0.28 of an acre of land area and are improved with apartment buildings ranging in size from 1,716 to 5,483 square feet of building area. The comparables have from 2 to 8 apartment units, with one having only 1-bedroom units, two having only 2-bedroom units, and two having a mix of 1-bedroom and 2-bedroom units.

The comparables sold from November 2023 to December 2024 for prices ranging from \$71,000 to \$270,000 to from \$33.00 or \$49.24 per square foot or building area, or from \$26,250 to \$35,500 per apartment unit, including land. The appraiser adjusted the comparables for differences from the subject, such as location, physical condition, room/unit count, appliances, garage/carports/sheds, and land to building ratio. The appraiser explained the adjustments both in a narrative form and in an adjustment grid. The appraiser made gross adjustments from \$6,203 to \$62,572, with net adjustments from 1,203 to \$57,428, to arrive at adjusted prices from \$32.29 to \$40.67 per square foot of building area, including land. Based on this analysis, the appraiser estimated a value for the subject of \$37.13 per square foot or \$169,442 under the sales comparison approach.

² The appellants' appraiser inconsistently described the subject's combined site size as both 1.25 acres and 0.25 of an acre of land area. The board of review presented a copy of a deed for the 2023 sale of the subject parcels identifying a combined site size of 1.25 acres. The Board finds the subject has a combined site size of 1.25 acres of land area.

Under the income approach, the appraiser presented the five comparable sales as rent comparables. The comparables have rents from \$6.65 to \$14.48 per square foot of building area, with annual income from \$15,600 to \$60,060. Using an 8.00% vacancy rate and a 45% expense ratio, the appraiser computed net operating income for each comparable. The appraiser computed capitalization rates from 10.33% to 17.18% for these comparables, with a median capitalization rate of 10.86%.

In a reconstructed operating statement for the subject, the appraiser estimated monthly rent of \$550 per unit, resulting in potential gross income of \$39,500. The appraiser deducted an estimated vacancy rate of 8%, or \$3,168, to calculate effective gross income of \$36,432. The appraiser next estimated expenses totaling \$14,954, including real estate taxes, to calculate net operating income of \$21,478. The appraiser estimated a capitalization rate of 12.00% for the subject. Based on this analysis, the appraiser computed a value of \$178,985, then deducted personal property of \$9,000, to arrive at a value of \$169,985 for the subject under the income approach.

In reconciliation, the appraiser gave the most weight to sales comparison approach in concluding a value for the subject of \$169,442 or \$170,000, rounded. At hearing, Mr. Waibel argued the appraisal is the best evidence of the subject's market value.

The appellants submitted a statement that the subject's sale was part of a 1031 exchange. With regard to the subject's 2023 sale, Mr. Waibel testified he purchased the subject property without having it appraised. The appellant stated he learned the property was for sale from his son, who had intended to buy the subject property but then decided to buy other property instead. Mr. Waibel testified he offered to buy the subject property for the same price that he stated was offered by his son. The appellant testified the subject property is currently being sold for \$188,000, including appliances.

On cross-examination, Mr. Waibel testified he paid cash for the subject property and did not want to spend extra money on an appraisal when he was already going to buy the property. The appellant asserted he was under pressure to buy a property to complete a 1031 exchange and admitted he bought the subject property without doing his "homework." For the exchange, Mr. Waibel explained he sold a rental house in Peoria for a price of \$130,000. The appellant testified he owns 12 to 15 other houses as investment properties and recently sold a 24-unit apartment building in Peoria for a price of \$970,000. Mr. Waibel testified he did not provide the appraiser with any properties to use as comparables and did not provide the rent amounts used in the appraisal. The appellant acknowledged appraisal sale #3 was a property sold by his son.

Upon questioning by the Administrative Law Judge (ALJ), Mr. Waibel testified his son made only a verbal offer to purchase the subject property. Mr. Waibel testified he was not aware that the subject had been listed or advertised for sale when he offered to purchase it. The appellant explained that he learned it was available from his son when he was looking for a property to buy to complete a 1031 exchange. With regard to the Peoria house, Mr. Waibel clarified that this property was advertised for sale by owner with a sign in the yard for a couple of months. With regard to the current contract for a sale of the subject property, Mr. Waibel clarified that he had not specifically advertised the subject property for sale, but mentioned it to prospective buyer

interested in other properties he was advertising for sale by owner on Facebook. The appellant testified the subject is currently under contract for a price of \$208,000 with a \$20,000 credit to the buyer at closing, for a net price of \$188,000. Mr. Waibel explained the \$20,000 credit was part of the offer he received from the buyer so the buyer would have some operating funds after buying the subject property. Upon further questioning by the ALJ, Mr. Waibel stated he was not personally familiar with the appraisal sales but reviewed them in the appraisal report. Mr. Waibel testified five of the subject's units each have monthly rents of \$850 and one unit has monthly rent of \$880.

In further support of the appellants' case, Mr. Waibel contended he discovered property values in Fulton County are not as good as in Peoria County. For example, he stated his son recently sold a 3-unit building in Fulton County for \$75,000. Mr. Waibel further asserted the village of Banner has well water, which is less desirable.

Based on this evidence, the appellants 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 combined assessment for the subject of \$83,330. The subject's assessment reflects a market value of \$250,015, or \$54.78 per square foot of building area or \$41,669 per apartment unit, land included, when using the statutory level of assessment of 33.33%. The board of review disclosed in the Notes on Appeal that 2022 was the first year of the general assessment cycle for the subject property and that an equalization factor of 1.1356 was applied in 2024.

In support of its contention of the correct assessment, the board of review submitted a brief contending the subject's 2023 sale is the best evidence of its market value. The board of review argued the appellants did not submit any documentation to show this sale was a 1031 exchange. The board of review submitted Exhibit A, the statement submitted by the appellants regarding the subject's sale as part of a 1031 exchange; Exhibit B, an Internal Revenue Service fact sheet on 1031 exchanges; Exhibit C, a Real Estate Transfer Declaration for the sale, indicating the property was advertised for sale, was not an exchange, and the sale price did not include any personal property; and Exhibit D, a Corporation Warranty Deed for the sale.

At hearing, Ms. Russell argued a 1031 exchange must be reported to the Internal Revenue Service and the appellants could have presented documentation of the exchange in this appeal. Ms. Russell contended the Real Estate Transfer Declaration does not indicate the sale was an exchange and should have so indicated if the sale was an exchange. Ms. Russell questioned the purpose of the exchange when one property sold for \$130,000 and the second property was purchased for \$250,000.

The board of review contended the appellants' appraisal contains many errors and is not reliable evidence of market value. Ms. Russell argued the valuation date of the appraisal is more than a year after the assessment date and the appraiser did not make adjustments to the comparable sales for time. Ms. Russell contended the appraiser inconsistently reported the subject's site size, resulting in an incorrect land to building ratio and erroneous adjustments to the comparables. Ms. Russell asserted the appraiser's highest and best use of the subject as an apartment building is not permitted within the subject's zoning. Ms. Russell stated the subject's zoning is regulated by the

county, not the village. The board of review submitted with its evidence Exhibit H, a copy of a zoning violation letter dated April 30, 2025. Ms. Russell explained county officials did not know the subject had been converted from a motel to an apartment building until the board of review hearing.

Regarding the appraiser's sales comparison approach, Ms. Russell contended the appraiser miscalculated the adjustments, with certain adjustments described in the narrative that were not carried to the adjustment grid. Ms. Russell asserted a location adjustment should have been made to appraisal sale #3, which is located in Canton, which she argued is similar in population and other statistics to Lincoln.

With regard to the appraiser's income approach, the board of review argued in the brief that the data used in income approach was not supported. The board of review presented market survey data for the West North Central Region (Illinois, Wisconsin, and Indiana) with an overall vacancy rate of 5.40%. The board of review reported market data for the West North Central Region with monthly asking rents from \$1,332 to \$1,868, vacancy rates from 5.2% to 5.5%, and expense ratios from 32.57% to 42.57%. The board of review contended the appraiser incorrectly deducted real estate taxes as an expense and did not use a loaded capitalization rate as instructed in Exhibit F, an Illinois Department of Revenue publication. The board of review argued the appraiser's deduction for personal property was duplicative of the deduction for replacement reserves. The board of review presented market data for West North Central Region apartment properties with capitalization rates from 5.32% to 12.14%, and an average capitalization rate of 8.46%. The board of review computed a capitalization rate of 8.75% based on the band of investment method and then calculated a loaded capitalization rate of 11.15%. At hearing, Ms. Russell reiterated these arguments.

The board of review computed a revised value for the subject in Exhibit G, using some of the data from the appraisal and some of the market data presented by the board of review. The board of review started with the appraiser's potential gross income but deducted vacancy of 5.40%, or \$2,138.40, to calculate effective gross income of \$37,461.60. The board of review next deducted expenses of \$8,669.36, not including real estate taxes, to calculate net operating income of \$28,792.24. Using a loaded capitalization rate of 11.15%, the board of review arrived at a value of \$258,226.35 for the subject. The board of review argued this income analysis supports the subject's assessment. At hearing, Ms. Russell explained the computations in Exhibit G relied on the market rent provided by the appraiser but Mr. Waibel testified the subject actually has higher rents. Ms. Russell explained the appraiser's expenses were used for the board of review's income analysis, except real estate taxes were excluded.

Upon questioning by the ALJ, Ms. Russell testified that she prepared Exhibit G. Ms. Russell acknowledged she is not a licensed appraiser but stated she has a CIAO designation. Ms. Russell testified the market data presented by the board of review includes data for three states, Illinois, Indiana, and Wisconsin, and includes urban areas like Chicago and Indianapolis. Ms. Russell further testified this market data is for investment properties, specifically, apartment buildings with 80 or more units. Ms. Russell explained the reporting service used by the board of review does not have data for smaller apartment buildings.

Ms. Russell testified the subject property had previously been assessed as a 12-unit motel and was re-assessed in 2023 or 2024, along with other similar hotel and motel properties in Canton. Ms. Russell explained the board of review lowered the subject's assessment to reflect its 2023 sale price. When questioned by the ALJ about the subject's assessments since 2022, Ms. Russell testified the subject parcels were previously assessed with other land and she did not have the allocation of those assessments to the subject property, which could be found in the county's assessment records. The ALJ ordered the board of review to submit documentation of the subject's assessments for the 2022, 2023, and 2024 tax years, including any allocation to the subject's improvements prior to the split of the subject parcels from the parent parcels. The ALJ ordered this information to be emailed to the ALJ and the appellants within 5 business days from the date of the hearing (86 Ill. Adm. Code § 1910.67(h)). In response to this request, the board of review timely submitted property record cards, a schematic drawing, an aerial photograph, and a spreadsheet of five motel properties in Fulton County.

Based on this evidence, the board of review requested confirmation of the subject's assessment.

In closing, Mr. Waibel asserted the assessment of the subject property did not seem to be correct so he obtained an appraisal, which he argues is the best evidence of the subject's market value. Mr. Waibel contended the subject's recent contract price further supports a reduction in the subject's assessment.

In closing, the board of review contended the appraisal has errors and the board of review disputed the appraisal is reflective of market value as of the January 1, 2024 assessment date.

Conclusion of Law

The appellants contend 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 appellants met this burden of proof and a reduction in the subject's assessment is warranted.

The appellants submitted an appraisal and evidence of a 2026 contract price for the subject and the board of review submitted evidence of a 2023 sale of the subject property and a revised income statement for the subject. There was no objection to the admissibility of the appraisal as evidence in this appeal without the appraiser's testimony. Appraisal reports are commonly relied upon in real estate valuation, and, under the Board's rules, proof of market value may consist of an appraisal. See 86 Ill. Adm. Code § 1910.65(c)(1). Accordingly, the appraisal is admitted into evidence. The absence of the appraiser goes to the weight to be given to the appraisal, not to its admissibility.

Nonetheless, the Board gives less weight to the appraised value conclusion. The Board finds the board of review demonstrated the appraisal contains numerous errors, including inconsistent descriptions of the subject's site, inconsistent adjustments to the comparables, and a highest and best use that is in violation of the subject's current zoning. For the income approach, the Board finds the appraiser did not explain how market rent was computed and did not support the

vacancy rate and expense ratios with any market data in the report. The Board finds the appraiser incorrectly included real estate taxes as an expense and did not use a loaded capitalization rate, having deducted real estate taxes as an expense. The Board finds the appraiser's deduction for personal property was also unsupported. The appraiser did not testify at the hearing to correct the errors or explain the questionable selections and conclusions in the report. For these reasons, the Board finds the appraisal states a less credible and/or reliable opinion of value.

The Board also gives less weight to the board of review's income analysis, presented as Exhibit G to the board of review's submission. The Board finds this analysis relies on the same questionable market rent and expenses (except for real estate taxes) as the appraisal. The Board further finds the market data used to estimate the vacancy rate and the capitalization rate is not appropriate for the subject property. Ms. Russell testified this data is for three states, including urban area, compared to the subject's rural Illinois location, and this data is for apartment buildings with 80 or more units, compared to the subject's 6-unit building. For these reasons the Board finds the board of review's income analysis is not credible and/or reliable to estimate the subject's market value.

The Board gives less weight to the subject's 2023 sale. The Board finds the appellants did not demonstrate this sale was part of a 1031 exchange. The appellants did not submit any documentation to support their contention that the sale was part of an exchange and the Real Estate Transfer Declaration for the sale did not indicate the sale was part of an exchange. At hearing, Mr. Waibel could not describe the requirements of a 1031 exchange and testified the other property involved in the exchange sold for substantially less than the subject property.

However, the Board finds the evidence suggests the 2023 sale price was not reflective of the subject's fair cash value. As defined in the Property Tax Code, fair cash value means "[t]he amount for which a property can be sold in the due course of business and trade, not under duress, between a willing buyer and a willing seller." (35 ILCS 200/1-50) The Illinois Supreme Court has construed fair cash value to mean what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced so to do. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill. 2d 428 (1970).

Mr. Waibel testified the subject was not advertised for sale and he learned it was for sale from his son rather than through any marketing of the subject property, even though the Real Estate Transfer Declaration for the sale indicated the subject property had been advertised for sale. Mr. Waibel testified he offered the same price for the subject previously negotiated by his son, without having the property appraised, despite there being no written contract or obligation to purchase the subject for this price. Mr. Waibel did not provide any further details on how the price was negotiated between his son and the seller and whether this prior arrangement involved any other conditions or consideration that were included as part of this transaction. Based on the documentation submitted by the board of review and Mr. Waibel's testimony, the Board finds it is unclear from this record why Mr. Waibel agreed to pay \$250,000 for the subject property, without any appraisal or investigation into the value of the subject property and without his son having any legal obligation to purchase the property under a written contract for that price. Under these circumstances, the Board finds the subject's 2023 sale was not an arm's length sale reflective of the subject's fair cash value as of the January 1, 2024 assessment date.

The Board also gives less weight to the subject's 2026 contract price. The Board finds this sale has not yet closed and may occur well after the January 1, 2024 assessment date (by more than two years). Moreover, the Board finds the property was not advertised for sale, as shown by Mr. Waibel's testimony, and therefore, does not meet one of the key elements for an arm's length transaction.

The Board finds the best evidence of market value to be the appraisal sales #1 and #2, which sold proximate in time to the assessment date and are more similar to the subject in location and number of units, although these comparables each have a smaller site and smaller building with fewer units than the subject, suggesting upward adjustments to these comparables would be needed to make them more equivalent to the subject. However, these comparables have 2-bedroom units unlike the subject, suggesting downward adjustments for this feature would be needed. The Board gave less weight to the appraisal sales #3, #4, and #5, due to significant differences from the subject in location and/or number of units. These two most similar comparable sales sold for prices of \$105,000 and \$120,000, or \$33.00 and \$40.32 per square foot of building area, or \$26,250 and \$30,000 per apartment unit, including land, respectively. The subject's assessment reflects a market value of \$250,015, or \$54.78 per square foot of building area or \$41,669 per apartment unit, including land, which is above the two best comparable sales in the 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 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 19, 2026



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

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