

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: MRE, Inc.
DOCKET NO.: 05-00197.001-C-1
PARCEL NO.: 14-33-452-011

The parties of record before the Property Tax Appeal Board are MRE, Inc., the appellant, by attorney Clyde B. Hendricks of Peoria; and the Peoria County Board of Review.

The subject is improved with a one-story brick and concrete block office building with 6,110 square feet of building area. The subject is air conditioned and has a ceiling height of 14 feet. As of the assessment date the building is approximately 13 years old being constructed in 1992. The parcel contains 13,460 square feet of land area.

The appellant contends assessment inequity in the improvement assessment as the basis of the appeal. In support of this argument the appellant presented an assessment analysis prepared by Vivian E. Hagaman. Hagaman testified she has had 10 years of appraisal experience, 13 years experience as a realtor, and 18 months as a deputy township assessor for Morton Township, Tazewell County. She had an appraisal license that expired in 2007. She currently holds a brokers license.

Hagaman submitted an assessment analysis using six equity comparables. She testified that the report was not an appraisal and explained that the analysis was based off the information from the property record cards maintained by the assessor. She indicated that the equity comparables were adjusted in relation to the subject for grade as well as for condition, desirability and utility (CDU). Her report contained copies of the property record cards for the subject and the comparables from the township assessor's Computer Assisted Mass Appraisal (CAMA) records. She also provided copies of photographs for the subject and the comparables.

Her analysis indicated the subject improvement had a market value as reflected by its assessment of \$49.43 per square foot of building area. Hagaman's analysis indicated the comparables ranged in size from 4,864 to 9,600 square feet of building area.

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Peoria County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$ 28,630
IMPR.: \$ 97,760
TOTAL: \$ 126,390

Subject only to the State multiplier as applicable.

Hagaman's grid analysis indicated the comparables were constructed from 1976 to 2003 for an average of 1991. The comparables had CDUs ranging from 63% to 97% for an average of 76%. The comparables had grades ranging from C to B for an average of C+10. She indicated the comparables had improvement assessments reflecting market values ranging from \$31.32 to \$48.14 per square foot and an average market value of \$39.90 per square foot. The witness indicated the comparables had grade adjustments ranging from \$34.17 to \$46.89 per square foot for a weighted average of \$39.90 per square foot. The witness indicated the comparables had CDU adjustment values ranging from \$34.05 to \$46.45 for a weighted average of \$40.42 per square foot. Based on this analysis, the appellant requested the subject's improvement assessment be reduced to \$13.47 per square foot of building area, reflecting a market value of \$40.41 per square foot, or \$82,320.

Under cross examination Hagaman testified she inspected the subject and the comparable properties. She also testified her fee was contingent on the tax savings.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$129,300 was disclosed. The subject had an improvement assessment of \$100,670 or \$16.48 per square foot of building area. To demonstrate the subject was equitably assessed, the board of review submitted assessment information on three comparables. The comparables were one-story commercial buildings used for retail purposes. The comparables ranged in size from 5,900 to 6,880 square feet of building area and were of metal, stucco, concrete block and frame construction. The buildings ranged in age from 1 to 13 years old. These properties had improvement assessments ranging from \$96,360 to \$155,910 or from \$16.06 to \$22.66 per square foot of building area.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject's assessment is supported by the evidence in the record.

The appellant contends assessment inequity in the improvement assessment as the basis of the appeal. Taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessments by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1, 544 N.E.2d 762, 136 Ill.Dec. 76 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data submitted by the parties, the Board finds a reduction to the subject's improvement assessment is warranted.

Initially, the Board gives little weight to Hagaman's analysis and conclusion. First, Hagaman testified her fee was contingent on the outcome of the appeal. The Property Tax Appeal Board

finds the fact the appellant's opinion witness' fee is contingent on the tax savings undermines her objectivity to give unbiased testimony and detracts from the credibility of her analysis. Second, the Board finds that Hagaman's analysis was based on general subjective characteristics of the buildings such as grade and CDU. The Board finds that this type of analysis does not adequately consider the physical characteristics of the individual buildings such as age, size, ceiling height, type of construction and features to make a meaningful analysis of the similarity of the comparable properties to the subject property.

As stated by the Supreme Court of Illinois in Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1, 544 N.E.2d 762, 136 Ill.Dec. 76 (1989):

[T]he cornerstone of uniformity is the fair cash value of the property in question. . . . [U]niformity is achieved only when all property with the same income-earning capacity and fair cash value is assessed at a consistent level.

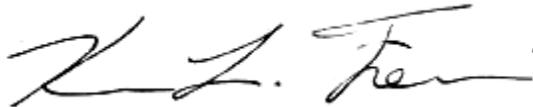
Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d at 21, 544 N.E.2d at 772. In this appeal the appellant failed to demonstrate the comparables and the subject had similar fair cash values but were assessed at substantially lesser or greater proportions of their fair cash values.

In the absence of evidence demonstrating the comparables and the subject have similar fair cash values, the Property Tax Appeal Board will examine the physical characteristics of the subject and the comparables to determine if the buildings are sufficiently similar so as to be indicative of similar fair cash values and thus necessitating similar assessments. A review of the comparables disclosed that those most similar to the subject in age, size and construction included the appellant's comparables 1 and 4 and comparable 2 submitted by the board of review. These three comparables were one story buildings of brick and/or concrete block construction that ranged in size from 4,864 to 7,181 square feet of building area. The comparables had wall heights ranging from 10 to 15 feet and central air conditioning. These buildings were constructed from 1992 to 1995. These comparables had improvement assessments that ranged from \$14.92 to \$16.06 per square foot of building area. The subject has an improvement assessment of \$16.48 per square foot of building area which is above the range established by the most similar comparables. Based on this data the Property Tax Appeal Board finds 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.



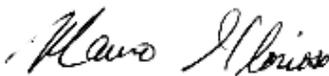
Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

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: March 20, 2009



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 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 the subsequent year 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.

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.