

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Robert & Brenda Barbee
DOCKET NO.: 05-01090.001-C-1
PARCEL NO.: 19-11-115-020

The parties of record before the Property Tax Appeal Board are Robert & Brenda Barbee, the appellants; and the Morgan County Board of Review.

The subject property consists of a 15,000 square foot parcel improved with a metal storage building that was built in 1994 and contains 4,800 square feet of building area. The building has a concrete floor and 12 roll-up doors. The subject property is located in Waverly, Morgan County, Illinois.

The appellants appeared before the Property Tax Appeal Board claiming the subject building's market value was not accurately reflected in its assessment. The appellants did not contest the subject's land assessment. In support of this argument the appellants submitted estimates of various current costs to construct a new storage building identical to the subject. The appellants submitted a bid for \$22,822 from the manufacturer of the building components. The appellants estimated a building permit was \$25.00, concrete work would cost \$4,500 and labor to erect the building would total \$4,800, for a total replacement cost of \$32,147, or \$6.70 per square foot. The appellants estimated a 50 year life for the building, of which 12 years had lapsed resulting in a depreciated cost for the building of \$24,432. Based on this analysis, the appellants requested the subject's improvement assessment be reduced to \$8,144.

During the hearing, the appellants testified they are not appraisers, but that they contacted local contractors to obtain labor rates and the cost of concrete. The appellants acknowledged they had not included in their estimate any provision for a general contractor's fee or overhead and profit.

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Morgan County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	2,500
IMPR.:	\$	18,705
TOTAL:	\$	21,205

Subject only to the State multiplier as applicable.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$21,205 was disclosed. In support of the subject's assessment, the board of review submitted a letter prepared by the supervisor of assessments which states the subject building was valued from the Marshall & Swift valuation manual, utilizing the section for mini-warehouses, Class D-pole, low cost construction. The building was then depreciated based on its age and remaining economic life.

In further support of the subject's assessment, the board of review submitted a real estate transfer declaration and notes detailing the September 2001 sale for \$1,099,336 of a comparable property located in Jacksonville, Illinois. The comparable consists of 11 buildings ranging in size from 2,400 to 7,480 square feet, totaling 43,320 square feet, which were built between 1990 and 2001. The board of review submitted Attachment F in its evidence in which it removed the land value of the comparable from its calculations and estimated the comparable buildings sold for \$23.95 per square foot. The board of review adjusted this sale price downward by 50% to reflect the real estate market in Waverly, resulting in an adjusted sale price for the comparable of \$11.98 per square foot, which the board claims supports the subject's improvement assessment of \$3.90 per square foot.

At the hearing, the hearing officer ordered the board of review to submit the subject's property record card and pricing page from the Marshall & Swift manual which was used to estimate the subject building's replacement cost. The board of review submitted this documentation subsequent to the hearing.

In rebuttal, the appellants submitted assessment information on a comparable mini-warehouse property located in Williamsville, Sangamon County. The appellants claimed this property included a 6,000 square foot building that was similar to the subject and was erected in 1995. The appellants' evidence disclosed that the comparable had an improvement assessment of \$21,021, or \$3.50 per square foot. The Board finds this evidence cannot be considered. Section 1910.66(b) of the Official Rules of the Property Tax Appeal Board states:

Rebuttal evidence shall not consist of new evidence such as an appraisal or **newly discovered comparable properties**. A party to the appeal shall be precluded from submitting its own case in chief in the guise of rebuttal evidence (emphasis added).

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 Property Tax Appeal Board further finds no reduction in the subject property's assessment is warranted. The appellants argued overvaluation of the subject's improvements as the basis of the appeal. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 183, 728 N.E.2nd 1256 (2nd Dist. 2000). After analyzing the market evidence submitted, the Board finds the appellants have failed to overcome this burden.

The Board finds the appellants determined a replacement cost for the subject mini-storage building from current cost estimates including the components of a new building, plus concrete and labor, less depreciation, of \$24,432. From this figure, the appellants proposed the subject's improvement assessment should be \$8,144. The Board finds the appellants testified they have no appraisal experience and that their replacement cost estimate did not include amounts for a general contractor's fee or overhead and profit. The appellants failed to submit an appraisal of the subject property or any comparable sales. The Board finds the appellants submitted no evidence that their replacement cost estimate reflects the subject's market value, which is the basis for all assessments. For these reasons, the Board gave little weight to the appellants' replacement cost estimate for the subject improvements.

The Board finds the board of review submitted documentation that its assessment of the subject improvements was based on the Marshall & Swift cost manual for mini-storage warehouses. The board of review further submitted information on a 2001 sale of a comparable mini-storage facility located in Jacksonville, Illinois. The board of review removed the land value and adjusted the sale price of the comparable improvements of \$23.95 downward by 50% to \$11.98 per square foot to account for the real estate market in Waverly. The Board finds this adjusted comparable sale represents the best evidence in the record of the market value of the subject's improvements and supports the subject's improvement assessment of \$18,705 or \$3.90 per square foot. The courts have stated that where there is credible evidence of comparable sales, these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App3d 207 (1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available.

In conclusion, the Board finds the appellants have failed to prove overvaluation by a preponderance of the evidence and the subject's assessment as determined by the board of review is correct and no reduction is warranted.

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: December 21, 2007



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.