

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Robert & Brenda Barbee
DOCKET NO.: 05-01091.001-C-1
PARCEL NO.: 19-11-103-028

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 commercial parcel improved with three metal mini-storage buildings that total 10,840 square feet of building area. Building 1 was constructed in 1998 with 2,000 square feet of building area, with two additions of 1,200 square feet each, added in 2002. Building 2 contains 1,200 square feet and was built in 2000. Building 3 contains 1,640 square feet and was built in 2003. The buildings have concrete floors and various roll-up doors, except for the 1,200 square foot center portion building 1, which is taller and open on one side to accommodate larger motor homes. The subject property is located in Waverly, Morgan County, Illinois.

The appellants appeared before the Property Tax Appeal Board claiming the subject buildings' market value was not accurately reflected in their assessment. The appellants did not contest the subject's land assessment. In support of the overvaluation argument regarding the subject's improvements, the appellants submitted estimates of various current costs to construct a new storage building with similar features as the subject. The appellants submitted a bid for \$22,822 from the manufacturer of the building components for a 4,800 square foot building similar to the existing buildings on the subject parcel. 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 then applied this per square foot cost to all three buildings, except for the taller open portions of building 1.

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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:	\$	4,187
IMPR.:	\$	46,819
TOTAL:	\$	51,006

Subject only to the State multiplier as applicable.

The appellants claimed the replacement cost for these buildings would total \$48,508.

The central open portions of Building 1 have no interior walls, are larger for motor homes and are 14 feet tall. These portions are 2,400 and 1,200 square foot in size. The appellants claimed a replacement building for these portions of Building 1 would cost \$17,239 for components, \$1,650 for concrete and \$3,200 for labor, totaling \$22,089, or \$9.20 per square foot. Based on these cost figures, the appellants estimated the replacement cost for the two open portions of Building 1 would be \$33,120.

Thus, the appellants claim the replacement costs for the various buildings are:

South end of Bldg. 1 -	2,000 s.f. at \$6.70 per square foot	\$13,400
North end of Bldg. 1 -	1,200 s.f. at \$6.70 per square foot	\$8,040
West side of Bldg. 1 -	1,200 s.f. at \$6.70 per square foot	\$8,040
Building 2	1,200 s.f. at \$6.70 per square foot	\$8,040
Building 3	1,640 s.f. at \$6.70 per square foot	\$10,988
	Total	\$48,508
Building 1 open	2,400 s.f. at \$9.20 per square foot	\$22,080
Building 1 open	1,200 s.f. at \$9.20 per square foot	\$11,040
	Total	\$33,120

The appellants then estimated all the buildings have an estimated life of 50 years and depreciated the buildings based on their actual ages and remaining lives, according to the following schedule.

1998 Mini storage 40 x 50	\$13,400/50 x 43 years =	\$11,524
2000 Mini storage 20 x 60	\$ 8,040/50 x 45 years =	\$ 7,236
2001 Mini storage 30 x 40	\$ 8,040/50 x 46 years =	\$ 7,397
2002 Mini storage 20 x 60	\$ 8,040/50 x 47 years =	\$ 7,558
2003 Mini storage 20 x 82	\$10,988/50 x 48 years =	\$10,548
1998 Open storage 40 x 60	\$22,080/50 x 43 years =	\$18,989
2002 Open storage 20 x 60	\$11,040/50 x 47 years =	\$10,378

Depreciated value for all buildings = \$73,630

Based on this analysis, the appellants contend the subject's improvement assessment should be reduced to \$24,543.

During the hearing, the appellants testified they have no appraisal experience and that they did not include in their cost estimates any allowance for general contractor's fee, or overhead and profit.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$46,819 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 buildings were then depreciated based on their ages and remaining economic lives.

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 depreciated replacement cost for the subject mini-storage buildings from current cost estimates including the components of new buildings, plus concrete and labor, of \$73,630. From this figure, the appellants proposed the subject's improvement assessment should be \$24,543. The Board finds the appellants testified they have no appraisal experience and that their replacement cost estimates 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 fair 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 \$46,819 or approximately \$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.

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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

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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.