



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

APPELLANT: Raymond R.S. Heyde  
DOCKET NO.: 07-00331.001-C-1  
PARCEL NO.: 18-04-406-028

The parties of record before the Property Tax Appeal Board are Raymond R.S. Heyde, the appellant(s), by attorney Michelle Schneiderheinze, of Hunziker Law Group LLC in Peoria; and the Peoria County Board of Review.

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: \$63,830  
IMPR: \$68,386  
TOTAL: \$132,216**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property is a 22,913± square foot site improved with a one-story brick, medical office building constructed in 1990. The structure contains 4,623 square feet of partitioned building area with a 924 partial, partitioned basement. The subject is located in the City of Peoria.

The appellant, through counsel, appeared before the Property Tax Appeal Board claiming the fair market value of the subject was not accurately reflected in its assessed value. In support of this argument an appraisal was submitted with an estimated fair market value of \$398,000 as of September 19, 2007 using two of the three traditional approaches to value.

Harold D. Turley, a licensed appraiser, was called as a witness to testify regarding his appraisal methodology and final value conclusion. Turley has the Member of the Appraisal Institute (MAI) and Senior Residential Appraiser, designations from the Appraisal Institute. He is a State Certified General Appraiser

certified in commercial, industrial and residential appraisals with over 20 years of experience. He inspected the subject parcel in September 2007 and developed a cost approach and sales comparison approach to estimate the subject's market value.

Under the cost approach to value, Turley estimated the subject's site value of \$91,600 or \$4.00 per square foot of land area. Turley examined six land sales in Peoria and Washington, Illinois that ranged in size from 30,500 to 111,949 square feet of land area. Land sales #1, #3, #4 and #5 were purchased for medical buildings and land sales #2 and #6 were purchased for general office buildings. The sales occurred from October 2003 to August 2007 for prices ranging from \$122,000 to \$348,480 or from \$2.86 to \$5.55 per square foot of land area. Turley used the Marshall & Swift/Boeckh Commercial, Institutional, Light Industrial Building Cost Guide, 2007, Section 15, for medical office buildings to estimate a cost new for the improvements of \$531,645 or \$115.00 per square foot of building area. Physical depreciation was estimated using the age/life method at 51% or \$271,645. Turley found no functional or external obsolescence. He next added a depreciated value of site improvements of \$50,400 to calculate an estimated depreciated value of all improvements of \$310,400. An estimated site value of \$91,600 was added to arrive at an estimated value under the cost approach of \$402,000.

Turley next developed the sales comparison approach. Turley examined four comparable sales of medical offices. Three of the comparable sales were located in Peoria, Illinois and one was located in Pekin. The comparables were built from 1960, with additions in 1978 and 1994, to 1990. The sales consisted of one-story brick or brick and frame buildings, three of which are on a slab foundation and one has a partial basement. The interiors were partitioned into general office areas. The buildings ranged in size from 3,428 to 4,507 square feet and were situated on parcels ranging from 30,275 to 67,767 square feet of land area. The comparables sold from June 2002 to October 2006 for prices ranging from \$280,000 to \$600,000 or from \$81.61 to \$136.43 per square foot of building area, including land. Turley adjusted the comparables for differences when compared to the subject for time of sale, land size, access, location and physical characteristics such as building size, condition, age and design. Based on these adjusted sales ranging from \$47 to \$86.23 per square foot, Turley estimated a value for the subject property under the sales comparison approach of \$397,600 or \$86.00 per square foot of building area, including land.

In reconciliation, Turley placed most weight and consideration on the sales comparison approach because "it is a direct reflection of what purchasers will pay for medical office facilities having similar characteristics as the subject." Therefore, he estimated a final market value of \$398,000 for the subject property as of September 19, 2007.

Based on this evidence the appellant requested a reduction in the subject's assessment to reflect the estimated market value of \$398,000 as set forth in the appraisal.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$149,780 was disclosed. The subject's assessment reflects a market value of approximately \$450,873 or \$97.53 per square foot of building area, including land, using the 2007 three-year median level of assessments for Peoria County of 33.22% as determined by the Illinois Department of Revenue. In support of the subject's assessment, a letter from the board of review was submitted along with a grid sheet using three of appellant's comparable sales which were located in Peoria.

The board of review argued that the appellant's sale comparable #1 actually contained 3,669 square feet of building area. In support of this argument the board of review introduced the property record card for this property which depicts 3,669 square feet of building area. This change in square footage for comparable #1 resulted in a sales price of \$136.28 per square foot of building area instead of \$136.43 as reported by Turley. The board of review argued that the subject's assessment reflects a per square foot market value (\$97.53), that is within the per square foot range of \$81.21 to \$136.28 as established by the three sales comparables in Peoria. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After hearing the testimony and having considered the evidence, the Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The appellant contends overvaluation as the basis of the appeal. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002). The Board further finds the best evidence of the subject's market value in this record is the appraisal, prepared by Harold Turley, MAI, SRA, with an estimated opinion of value of \$398,000.

The appraiser, Harold Turley, estimated the subject's market value of \$398,000 using two of the three traditional approaches to value. The Board finds the estimated value is adequately supported by the evidence contained in this record.

The Board finds the appellant submitted an appraisal of the subject property in which the subject's market value was estimated to be \$398,000 as of September 2007. The subject's assessment reflects an estimated market value of approximately \$450,873 or \$97.53 per square foot of building area, including land. The board of review submitted three comparable sales, used by the appellant that sold for prices ranging from \$81.21 to \$136.28 per square foot of building area, including land. However, no adjustments were made for differences in time of

sale, land size, access, location and physical characteristics such as building size, condition, age and design. The Board finds the appraiser's testimony was credible and he used a logical and proper adjustment process to account for differences of the four comparables in the appraisal when compared to the subject. The board of review employed no such adjustment process in regards to sales comparables. The minor size discrepancies pointed out by the board of review do not significantly diminish the credibility of Turley's appraisal, therefore, the Board finds the best evidence of the subject's market value is found the subject's appraisal with an effective date of September 19, 2007 as submitted by the appellant. Therefore, the Board finds the subject's market value as of the subject's assessment date of January 1, 2007 is \$398,000.

In conclusion, the Board finds the appellant has demonstrated the subject property was overvalued by a preponderance of the evidence. Therefore, the Board finds the subject property's assessment as established by the board of review is incorrect and a reduction is warranted. Since fair market value has been established, the 2007 three-year median level of assessments for Peoria County of 33.22% shall apply.

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.

*Ronald R. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario Morris*

Member

*Shawn R. Lerbis*

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: July 23, 2010

*Allen Castrovillari*

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.