FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Walnut Hill Corporation
DOCKET NO.: 07-04759.001-C-1
PARCEL NO.: 18-13-25-380-006

The parties of record before the Property Tax Appeal Board are Walnut Hill Corporation, the appellant; and the Stephenson County Board of Review.

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 **Stephenson** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$27,770
IMPR.:	$18,840
TOTAL:	$46,610

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of an 18,516 square foot parcel improved with a 42 year-old, one-story masonry building containing 1,920 square feet of building area that is used as a tavern. The subject is located in Freeport, Freeport Township, Stephenson County.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellant submitted a restricted appraisal of the subject with an effective date of June 21, 2006. The report indicated the "documentation concerning the approaches to value developed can be found in the appraisers (sic) file." The appraiser utilized the cost and sales comparison approaches in estimating the subject's market value at $105,000. In the cost approach the appraiser reviewed and utilized market data and Marshall & Swift Cost Manuals to estimate the subject's base cost at $76,500. After deducting $28,305 for deterioration and

obsolescence based on the age/life method, the depreciated value of the subject building was $48,195. The appraiser described the subject as containing 1,500 square feet of building area, but submitted no floor plan or drawing to support this claim. He added site improvements of $15,000 to the site value of $45,000 to derive and indicated value for the subject by the cost approach at $108,195, rounded.

In the sales comparison approach, the appraiser supplied limited information on three comparable properties. He included these comparables' street addresses, sale dates, sale prices, financing type and commonly known names, but included no descriptive information of the lots or buildings, or a grid analysis detailing their features or any adjustments made to them for any reason. The comparables were reported to have sold between March and November 2005 for prices ranging from $129,000 to $240,000. From this data, the appraiser estimated the subject's market value by the sales comparison approach at $105,000.

At the hearing, the appellant testified the board of review's comparable sale 1 was built in 1991, whereas the subject building was constructed in 1965. He acknowledged he had no idea how the appraisal was constructed, how the land value was determined or whether adjustments had been made.

During cross examination, the board of review's representative asked the appellant if he knew the appraisal's comparable 1 was a foreclosure and a sale under duress. The appellant did not know this. The representative then asked the appellant if he realized that if the subject's total assessment, multiplied by three, generated a market value of $139,830, which was within the range of the comparables used by the appellant's appraiser and was below two of the three comparables. The appellant replied he had not realized this.

The board of review submitted its Board of Review Notes on Appeal wherein the subject's total assessment of $46,610 was disclosed. The subject has an estimated market value of $141,457 or $73.68 per square foot of building area including land, as reflected by its assessment and Stephenson County's 2007 three-year median level of assessments of 32.95%.

In support of the subject's assessment, the board of review submitted property record cards and a grid analysis of four comparable properties. The board of review's comparable 3 is the same property as the appellant's appraisal comparable 3. The comparables were located from across the street to 2.3 miles from the subject. The comparables had lots ranging in size from 8,680 to 35,283 square feet and were improved with one-story metal, stucco, frame, or brick buildings constructed between 1942 and 1991 that range in size from 1,566 to 2,778 square feet of building area. Comparables 1, 2 and 3 sold between March 2005 and January 2007 for prices ranging from $120,000 to $230,000 or

from $71.43 to $134.82 per square foot of building area including land. Comparable 4 was listed for sale as of October 2007 for $349,900 or $125.95 per square foot of building area including land. Based on this evidence, the board of review requested the subject's assessment be confirmed.

At the hearing, the board of review's representative objected to the appellant's appraisal's estimate of the subject's market value for various reasons and further objected to his inability to question the preparer of the report, due to the appraiser's absence. The representative then called Freeport Township Assessor Cindy Petta-Worster as a witness. The witness testified the board of review's comparable 3 had a frame exterior, unlike the subject's masonry exterior. She also testified the board of review's comparable 1 was inferior to the subject in that it had a gravel parking lot, whereas the subject has a paved parking lot.

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 appellant argued overvaluation as a basis of the appeal. When market value is the basis of the appeal, the value 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 (3rd Dist. 2002). After analyzing the market evidence submitted, the Board finds the appellant has failed to overcome this burden.

The Board gave little weight to the market value estimate in the appellant's appraisal because the appraiser was not present to testify regarding the report's preparation or be cross-examined. The board of review objected to consideration by the Property Tax Appeal Board of the appraisal's estimate of market value because of the appraiser's absence at the hearing. The Board also finds the report lacked documentation as to how the subject's site value was derived, and lacked sufficient descriptive information on the comparables used in the sales comparison approach so that these properties could be adequately compared to the subject.

The Board finds the board of review submitted four comparables, three of which were located on the subject's street. The comparables had sales or listing prices ranging from $71.43 to $134.82 per square foot of building area including land. The subject's estimated market value as reflected by its assessment of $73.68 per square foot of building area including land falls near the low end of this range. Therefore, the Property Tax Appeal Board finds the subject's assessment is supported by the most reliable market information in this record.

In conclusion the Board finds the appellant has failed to prove overvaluation by a preponderance of the evidence and that no reduction in the subject's assessment 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: March 23, 2010

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.