



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

APPELLANT: Rex Chapman  
DOCKET NO.: 07-04775.001-F-1  
PARCEL NO.: 0518-35-00-100-009

The parties of record before the Property Tax Appeal Board are Rex Chapman, the appellant; and the Shelby 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 **Shelby** County Board of Review is warranted. The correct assessed valuation of the property is:

<b>F/Land:</b>	\$ 673
<b>Homesite:</b>	\$ 2,660
<b>Residence:</b>	\$ 13,285
<b>Outbuildings:</b>	\$ 1,975
<b>TOTAL:</b>	\$ 18,593

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 50-acre parcel that is improved with two pole buildings and a one-story frame dwelling containing 720 square feet of ground floor area with a 200 square foot loft, totaling 920 square feet of living area. The dwelling has a concrete slab foundation, one bathroom, central air conditioning, and a 240 square foot open frame porch. The subject parcel is comprised of 49.34 acres of farmland and .66 of an acre dedicated as a homesite.

The appellant appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. The subject's land assessment was not contested. In support of the overvaluation claim, the appellant submitted an agricultural appraisal of the subject property from March 10, 2000; a letter explaining the appeal; and the reported cost to build the subject dwelling.

At the hearing, the appellant explained the dwelling under appeal was a former piglet nursery that was originally constructed in 1987. The piglet nursery had existing water and sewer systems. In January 2006, the appellant decided to rebuild the structure with modern utilities and use as a place on the farm to "get out of the weather." The appellant explained the rebuilt structure allowed him to keep livestock on the farm year round. The structure's existing roof was removed and the ceiling height was raised approximately 8 inches. A new roofing system with porch covering was installed to accommodate the loft area. The appellant argued he did not change the concrete floor or size of the structure, but added the new roof, siding and windows. Building materials cost \$12,450. He paid Heisermann Construction \$5,628 to construct the new roof, install new windows, and attach new "log" siding, on the exterior of the dwelling. The appellant personally finished the interior of the dwelling. The appellant estimated the cost of the materials to finish the interior was approximately \$8,000. The appellant testified he worked over 100 hours during the construction, but attributed no value to his labor. The appellant did not itemize what "interior finish" was completed, such as electrical system, interior walls, flooring, plumbing, heating and cooling systems. The appellant opined the original piglet nursery, including its concrete slab foundation, water and sewer systems, had no value based on the 2000 appraisal report. The 2000 appraisal lists the hog nursery as having a contributory value of \$0.

The appellant argued the total cost to rebuild the piglet nursery into the seasonal cabin was \$26,078 excluding any value associated with his labor. Based on the evidence submitted, the appellant requested a reduction in the subject's assessed value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's assessment of \$18,593 was disclosed. The subject property has a homesite assessment of \$2,660 and a house assessment of \$13,285, totaling \$15,945. The subject's homesite and house assessments reflect an estimated market value of \$54,106 or \$58.81 per square of living area including land using Shelby County's 2007 three-year median level of assessments of 29.47%.

In support of the subject's assessment, the board of review of review submitted sales information for three seasonal cabin style properties located approximately 22 miles from the subject. They consist of one-story frame dwellings that were built from 1936 to 1963. The dwellings have crawl space or concrete slab foundations. Two comparables have a garage. None have central air conditioning like the subject. The dwellings are situated on lots that contain from .13 to .29 of an acre. The dwellings range in size from 546 to 952 square feet of living area. The properties sold from June 2005 to July 2007 for prices ranging from \$65,000 to \$75,000 or from \$78.78 to \$121.53 per square foot of living area including land.

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 the assessment placed on the subject dwelling is not reflective of its fair market value based on the cost to convert the old hog nursery into a seasonal dwelling. 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.2d 1256 (2nd Dist. 2000). After an analysis of the evidence, the Board finds the appellant has not met this burden.

The Property Tax Appeal Board gave little weight to the reported cost to convert the old farm building into a seasonal dwelling as an indicator of fair market value. First, the appellant failed account for the existing value of the concrete slab foundation and existing frame structure of the hog nursery building prior to conversion to the seasonal dwelling use. Second, the appellant failed to submit a contract or agreement between from Heisermann Construction that detailed the construction work completed or its cost. Third, the appellant did not submit any evidence detailing the interior work completed or the cost of materials, such as heating and cooling systems, insulation, interior wall and floor coverings, electrical system, and plumbing fixtures. Finally, the appellant failed to attribute any value of non-compensated labor he personally performed during the construction of the seasonal dwelling.

The Board finds the comparable sales submitted by the board of review are better indicators of the subject's fair market value. 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.App.3d 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 Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. Since there are credible market sales contained in the record, the Board placed most weight on this evidence.

The Board finds the board of review submitted three comparables that support the subject's estimated market value as reflected by its assessment. These properties are seasonal cabins similar to the subject's use. Two comparables are smaller while one property is slightly larger than the subject. Two properties have garages, superior to the subject, but they do not have central air conditioning as does the subject. In addition, all the comparables are inferior to the subject in age. The comparables sold for prices ranging from \$65,000 to \$75,000 or

from \$78.78 to \$121.53 per square foot of living area including land. The subject's homesite and house assessment reflects an estimated market value of \$54,106 or \$58.81 per square of living area including land, less than the comparables sales. After considering any necessary adjustments to the comparables for any differences when compared to the subject properties, the Property Tax Appeal Board finds the subject's assessed valuation is supported and no reduction is warranted.

Based on this analysis, the Property Tax Appeal Board finds the appellant has not demonstrated overvaluation by a preponderance of the evidence. Therefore, the Board finds the subject's assessment as established 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.

*Ronald R. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario M. Louie*

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: October 22, 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.