



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

APPELLANT: Mike Hundman
DOCKET NO.: 09-00100.001-C-1
PARCEL NO.: 04-12-01-201-005

The parties of record before the Property Tax Appeal Board are Mike Hundman, the appellant, by attorney Robert W. McQuellon, III, in Peoria, and the Macon 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 **Macon** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$30,791
IMPR: \$161,473
TOTAL: \$192,264

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 4-acres is improved with four one-story metal warehouse buildings of varying sizes. The structures were built between 1959 and 2007 and contain a total of approximately 33,104 square feet of building area. The subject property is located in Decatur, Harristown Township, Macon County.

The appellant's appeal is based on overvaluation of the subject property. In support of this market value argument, the appellant submitted two separate sets of data.

First, the appellant submitted a cover letter with a 2009 Summary of Assessment Data and a Cost Analysis developed by Robert W. McQuellon, M.B.A., of McQuellon Consulting, Inc. On the sheet entitled 2009 Summary of Assessment Data, it appears that the assessment of the subject property has been multiplied by three to arrive at a "fair cash value" of \$576,792.

The next one-page analysis entitled Cost Analysis stated that this approach was "developed in rebuttal to the assessor's valuation." The author of the Cost Analysis further wrote that cost and depreciation estimates were derived from Marshall &

Swift's Calculator Method for storage warehouses and light industrial shell buildings with Class D frame and Class S metal construction. In summary, the document depicts various base costs for five different buildings ranging from \$12.55 to \$18.78 per square foot of building area of 28,348 square feet with a current multiplier of either 1.00 or 1.02 and a local multiplier of either 1.08 or 1.11. Then to the estimated replacement cost new, the author of the analysis depreciated each of the buildings by various amounts using the age/life method. Thus, the cost analysis concludes an estimated depreciated replacement cost new of \$190,363.66.

Then next the cost approach estimated a land value of \$92,373 plus site improvements of \$12,000. Totaling the depreciated value of the building plus the land and site improvements, the document depicts an estimated market value under the cost approach of \$295,000, rounded.

Second, the appellant submitted data on four sales of a warehouse and two office buildings located in Decatur, Peoria or Springfield.¹ The age of the Springfield property was not reported; the remaining comparables were built between 1920 and 1981. The comparables range in size from 24,000 to 59,095 square feet of building area. The sales occurred from January 2007 to January 2009 for prices ranging from \$135,000 to \$300,000 or from \$2.82 to \$12.47 per square foot of building area, including land.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$100,000 which would reflect a market value of approximately \$300,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$192,264 was disclosed. The subject's assessment reflects an estimated market value of \$574,094 or \$17.34 per square foot of building area including land using the 2009 three-year median level of assessments for Macon County of 33.49%. (86 Ill.Admin.Code §1910.50(c)(1)).

The board of review presented a letter outlining the evidence and arguments along with a grid analysis of comparable sales to support the subject's estimated market value based on its assessment along with applicable data sheets and a cost analysis of the subject.

In the letter, the board of review asserted that the subject's estimated market value falls within the range of the sales presented by both parties.

In the grid analysis, the board of review presented descriptions and sales data on three comparable light industrial properties

¹ The appellant completed the Section V grid analysis with three sales and then later submitted a chart with three sales wherein only one new sale property was presented.

located in within six miles of the subject property which the board of review describes as "lumber yard." The comparables consist of one to six one-story buildings that were built between 1929 and 2005. The comparable buildings range in size from 9,072 to 61,212 square feet. These comparables sold between April 2007 and April 2012 for prices ranging from \$675,000 to \$1,188,400 or from \$19.41 to \$28.46 per square foot of building area, including land.

The data attached to the cover letter includes a separate cost analysis of the subject property from Marshall & Swift which sets forth a basic structure cost including base cost, exterior walls and heating & cooling of \$39.06 per square foot of building area for a total of \$1,439,370 at 36,853 square feet of building area. Next physical and functional depreciation of 58.6% were deducted for a depreciated replacement cost new of \$596,588.

Based on this evidence, the board of review requested confirmation of the subject's assessment.

After reviewing the record 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 Board further finds a reduction in the subject's assessment is not warranted.

The appellant contends the assessment of the subject property is excessive and not reflective of its market value. 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 (3rd Dist. 2002). The Board finds the evidence in the record does not support a reduction in the subject's assessment.

The parties submitted a total of seven sales to support their respective positions before the Property Tax Appeal Board along with separate cost analyses. 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 (2nd Dist. 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 (5th Dist. 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. Thus as the Board finds that there are credible market sales contained in this record, therefore the Board has placed most weight on this sales evidence and will not further analyze the cost analyses submitted by the parties.

The Board has given less weight to board of review comparables #2 and #3 along with the appellant's comparable at 3103 N. Charles St. in Decatur due to differing building sizes when compared to

the subject. The Property Tax Appeal Board further finds the remaining four comparables submitted by both parties had varying degrees of similarity to the subject property in size, use and/or age. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold between January 2007 and April 2012 for prices ranging from \$2.82 to \$28.46 per square foot of building area, including land. The subject's assessment reflects a market value of approximately \$574,094 or \$17.34 per square foot of building area, including land, which falls within the range established by the most similar comparables on this record on a per-square-foot basis. The subject's estimated market value is further supported by the fact that the lowest sale price of \$2.82 per square foot was for property that was built in 1920 whereas the subject was built between 1959 and 2007. After considering the most comparable sales on this record, the Board finds the appellant did not demonstrate the subject property's assessment to be excessive in relation to its market value and a reduction in the subject's assessment is not warranted on this record.

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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

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, 2012

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.