



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

APPELLANT: Thornton Oil Corp.
DOCKET NO.: 09-00102.001-C-1
PARCEL NO.: 04-12-01-101-006

The parties of record before the Property Tax Appeal Board are Thornton Oil Corp., 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: \$70,832
IMPR: \$138,234
TOTAL: \$209,066

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 1.07-acres is improved with one-story concrete block building operating as a convenience mini-mart with a canopy and eight gasoline pumps along with diesel truck pumps. The structures were built in 1987 and contain a total of 2,392 square feet of building area. The subject property is located in Decatur, Decatur 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 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 \$627,198.

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 estimates were derived from Marshall & Swift's Calculator Method for gas station mini-mart with Class C masonry

construction. In summary, the document depicts varying base costs for the mini mart and canopies resulting in an estimated replacement cost new of \$523,830.

Physical depreciation was next calculated at 42.86% based on the age/life method using an effective age of 15 years and an economic life of 35 years. Then the analysis sets forth depreciation of 10% for economic obsolescence for total estimated depreciation of \$276,882, resulting in a depreciated value of the building of \$246,948.

Then next the cost approach estimated a land value of \$212,496 plus site improvements of \$45,000 for paving, gravel and signage. 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 \$504,000, rounded.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$150,000 which would reflect a market value of approximately \$450,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$209,066 was disclosed. The subject's assessment reflects an estimated market value of \$624,264 or \$260.98 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 subject's assessment also equates to a market value of \$13.39 per square foot of land area, including building.

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 property record cards and a cost analysis of the subject.

In the letter, the board of review asserted that the subject property sits on a good location on Mound Road with cross-traffic between two U.S. Routes and several area businesses.

In the grid analysis, the board of review presented descriptions and sales data on three comparable properties located in Macon County and "in the County" and/or within three to six miles of the subject property. The comparables are improved with one-story concrete block or steel constructed mini-marts that were built between 1990 and 2002 with one or two canopies. The comparables range in size from 2,400 to 3,375 square feet of building area and feature eight gasoline pumps each. These comparables sold between April 2007 and April 2009 for prices ranging from \$775,000 to \$1,905,696 or from \$269.85 to \$794.04 per square foot of building area, including land. The sales prices also equate to \$12.93 to \$34.31 per square foot of land area, including building.

The data attached to the cover letter includes a 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 \$146.05 per square foot of building area for a total of \$349,351 at 2,392 square feet of building area. Extras of \$470,121 were added for canopies, dual pumps and concrete paving for a total replacement cost new of \$819,472. Next physical and functional depreciation of 35% was deducted for a depreciated replacement cost new of \$532,657.

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 board of review submitted three sales to support the assessment and both parties submitted a cost analysis to support their respective positions before the Property Tax Appeal Board. 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 Property Tax Appeal Board finds the comparables submitted by the board of review 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 in April 2007 and April 2008 for prices of \$269.85 and \$794.04 per square foot of building area, including land. The subject's assessment reflects a market value of approximately \$624,264 or \$260.98 per square foot of building area, including land, which is below the sales prices of the most similar comparables on this record on a

per-square-foot basis. These comparables also had unit prices ranging from \$12.43 to \$34.31 per square foot of land area, including building. The subject's assessment reflects a market value of \$13.39 per square foot of land area, including building, which is within the range established by the comparables. After considering these comparable sales, 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.



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, 2012



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.