



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

APPELLANT: Arendovivh Investments, Inc.
DOCKET NO.: 09-00103.001-C-1
PARCEL NO.: 07-07-26-351-005

The parties of record before the Property Tax Appeal Board are Arendovivh Investments, Inc., 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: \$9,444
IMPR: \$106,711
TOTAL: \$116,155

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of .47 of an acre of land area is improved with part 1-story and part 1.5-story frame townhouse consisting of four units. The dwelling was built in 1990 and contains an average of 1,127 square feet of living area per unit. The building has a crawl-space foundation, central air conditioning, four fireplaces and a garage/carport for each unit.¹ The subject property is located in Decatur, Hickory Point 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 \$348,465.

¹ While the property record card does not depict this feature, in a letter the board of review reported that the subject has an in-ground pool.

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 townhouses with Class D frame construction. In summary, the document depicts a base cost for the components of townhouses, garages, patios and "refinements - appliances" with a current multiplier of 0.97 and a local multiplier of 1.10 for a total replacement cost new of \$413,963.

Physical depreciation was next calculated at 37.50% based on the age/life method using an effective age of 15 years and an economic life of 40 years. Then the analysis sets forth depreciation of 5% for economic obsolescence for total estimated depreciation of \$175,934, resulting in a depreciated value of the building of \$238,029.

Then next the cost approach estimated a land value of \$28,332 plus site improvements of \$5,000. 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 \$272,000, rounded.

Based on this evidence, the appellant requested a reduction in the subject's total assessment to \$90,000 which would reflect a market value of approximately \$270,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$116,155 was disclosed. The subject's assessment reflects an estimated market value of \$346,835 or \$86,709 per unit 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 two grid analyses of comparable sales to support the subject's estimated market value based on its assessment along with applicable property record cards and a cost ladder for the subject property.

In the letter, the board of review asserted that the subject's estimated market value falls within the range of the sales presented. The subject townhomes were built so each unit could be sold as an individual unit, thus the board of review contends that sales of condominiums would be considered similar to the subject. In addition, the board of review contends that sales of apartment complexes also show the subject property is properly valued.

In the first grid analysis, the board of review presented descriptions and sales data on three comparable condominium properties located within 2 miles of the subject property. The comparables consist of condominium units that were built in 1996 or 1997. The comparable units contain either 1,345 or 1,362

square feet of living area. Each condominium is on a concrete slab foundation with central air conditioning and a garage/carport. These comparables sold between October 2008 and April 2009 for prices ranging from \$120,000 to \$128,000.

In the second grid analysis, the board of review presented descriptions and sales data on three comparable apartment complexes located within 7 miles of the subject property. The comparables consist of apartment buildings, two of which were built in about 1978 and the age of comparable #1 was not disclosed. The comparables have from 6 to 94 apartment units. Comparables #2 and #3 sold in April and October 2006 for prices of \$190,000 and \$1,883,000 or for \$31,667 and \$36,211 per apartment unit. Comparable #1 does not have a reported date of sale, but sold for \$4,250,000 or \$45,212 per apartment unit.

The Visual PAMSPRO Property Valuation Worksheet depicts a total cost for the subject building and all improvements of \$387,970.83. Next, the sheet depicted total depreciation of \$31,437.44 for a final indicated value of the subject property of \$356,533.39.

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 six sales and both parties presented cost analyses 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 Board has given less weight to the board of review apartment complex sales as these properties are generally sold for their income producing capabilities and not to be the primary residence of the purchaser. The Property Tax Appeal Board further finds the sales of condominium units submitted by the board of review were somewhat similar to the subject in dwelling size and features. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables sold between October 2008 and April 2009 for prices ranging from \$120,000 to \$128,000. The subject's assessment reflects a market value of approximately \$346,835 or \$86,709 per unit, including land, which falls below the range established by the most similar comparables on this record on a per-unit basis. After considering these most 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.

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.