



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

APPELLANT: Donald & Marian Perez
DOCKET NO.: 09-01388.001-R-1
PARCEL NO.: 08-08-19-111-002

The parties of record before the Property Tax Appeal Board are Donald & Marian Perez, the appellants, and the Clinton County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Clinton County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$5,320
IMPR.: \$16,570
TOTAL: \$21,890

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 16,200 square feet of land area is improved with a 2,400 square foot frame garage built in 2007 on a concrete slab that features a covered carport of 660 square feet. There is also a ½-bath along with used kitchen cabinets and a kitchen sink. The subject property is located in Carlyle, Carlyle Township, Clinton County.

The appellants contend the subject property's market value is not accurately reflected in its assessment. In support of this overvaluation assertion, the appellants submitted an appraisal prepared by Joseph P. Rakers of Rakers Appraisal Service in Posey, Illinois. The appraiser is a State Certified General Real Estate Appraiser who opined an estimated market value of \$67,000 for the subject property as of February 8, 2010.

The appraiser used the sales comparison approach to value and the cost approach to value "as a guideline for value." Under the cost approach, the appraiser estimated the subject's land value at \$20,000 using sales of commercial lots. Using the Marshall & Swift publication and local contractor prices, the appraiser

determined a reproduction cost new for the garage and carport along with the driveway of \$73,623. Physical depreciation of \$5,850 was calculated using the age/life method resulting in a depreciated value of improvements of \$67,773. Thus, adding back the land value, under the cost approach, the appraiser estimated a market value of \$87,773 or \$36.57 per square foot of building area including land for the subject.

Under the sales comparison approach, the appraiser used sales of four comparable properties. The appraiser reported that searching records revealed a scarcity of similar buildings; the appraiser chose buildings close in proximity and made adjustments for additional amenities. The appraiser presented properties that were the former Carlyle Fire Building, a former landscape business, a former auto repair shop, and a shop. As to the area of the subject property, the appraiser reported within five blocks three commercial properties "have gone under" and were sold at a reduced price; within seven blocks of the subject, five commercial properties were 'for sale' having been advertised for more than 150 days.

The comparable sales were located in Carlyle, New Baden, Breese and Pocahtontas. The comparables consist of parcels ranging in size from 8,100 square feet to 1.25-acres in land area and each is improved with a one-story frame or brick and block constructed building that was from 16 to 50 years old, with a newer addition on the oldest building. The comparables ranged in size from 2,000 to 4,200 square feet of building area. Three of the comparables have office areas, two have a bathroom and two have offices. Two comparables also have cooling. These comparables sold between March 2005 and November 2008 for prices ranging from \$85,000 to \$216,000. In comparing the comparable properties to the subject, the appraiser made adjustments for location (visibility), land area, age, condition, cooling feature, size, and commercial zoning which resulted in a 25% downward adjustment. The analysis resulted in adjusted sales prices for the comparables ranging from \$64,100 to \$70,000 or from \$16.67 to \$32.37 per square foot of building area including land. From this process, the appraiser estimated a value for the subject by the sales comparison approach of \$67,000 or \$27.92 per square foot of building area including land.

Based on this evidence, the appellants requested a reduction in the subject's total assessment to \$22,320 which would reflect a market value of approximately \$66,960.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$24,230 was disclosed. The final assessment of the subject property reflects a market value of \$74,166 or \$30.90 per square foot of building area including land using the 2009 three-year median level of assessments for Clinton County of 32.67%.

In support of the subject's assessment, the board of review submitted a letter along with a copy of the subject's property

record card and a grid analysis reiterating the four sales used by the appraiser along with the appraiser's stated adjustments. In the letter the board of review noted that the subject property is a 'residential' garage, although the appraiser considered commercial properties as sales comparables. While the board of review acknowledged that finding sales of only detached garages would be limited, the board of review asserted that the appraiser should have weighed more heavily the cost approach to value as the subject building was only 2 years old and the comparables were for commercial use as opposed to the subject's residential use. Furthermore, the board of review criticized the substantial adjustments the appraiser made to sales #1 through #3, whereas sale #4 had the fewest adjustments. The board of review asserted that its estimated market value for the subject property based on its assessment was appropriate given sale #3 and the cost approach to value with no further adjustments to be made.

Based on the foregoing evidence and based on the assertion that the appellant's appraisal is flawed, 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 that a reduction in the subject's assessment is warranted.

The appellants argued that the subject's assessment was not reflective of 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. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill. App. 3d 179, 728 N.E.2d 1256 (2nd Dist. 2000); National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill. App. 3d 1038 (3rd Dist. 2002). The Board finds this burden of proof has been met and a reduction in the subject's assessment is warranted.

The Board finds the appellants submitted an appraisal of the subject property with a final value conclusion of \$67,000, while the board of review submitted no appraisal and only criticized the sales selected by the appraiser as being commercial properties. The board of review did not substantively challenge the adjustments the appraiser made to these comparable sales and after applying the adjustments, the comparable properties were found to have values ranging from \$16.67 to \$32.37 per square foot of building area including land as summarized both in the appraisal and in the board of review's grid analysis of the appraiser's sales. The highest per-square-foot value was assigned to a building that was less than ½ the size of the subject. Due to economies of scale, accepted real estate valuation theory provides, all other factors being equal, as the size of a property increases, its per unit value decreases. Likewise, as the size of a property decreases, its per unit value increases. Due to its larger size, the subject's value would be better reflected by appraisal sales #1 through #3 which as adjusted ranged from \$16.67 to \$19.03 per square foot of

building area including land. Based on its assessment, the subject's estimated market value of \$74,166 or \$30.90 per square foot of building area including land is substantially above the adjusted sales prices of the most similar comparables on this record.

In the end the Property Tax Appeal Board finds that, despite the board of review's criticisms, the appraisal submitted by the appellants estimating the subject's market value of \$67,000 or \$27.92 per square foot of living area including land is still the best evidence of the subject's market value in the record.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been established, the three-year median level of assessments for Clinton County for 2009 of 32.67% shall be applied.

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 Morris

Member

J.R.

Acting 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 23, 2011

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.