FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Brent McBride
DOCKET NO.: 10-03983.001-R-1 through 10-03983.005-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Brent McBride, the appellant, and the Jackson 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 **Jackson** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
10-03983.001-R-1	09-33-354-022	5,546	30,600	$36,146
10-03983.002-R-1	09-33-353-019	5,546	30,600	$36,146
10-03983.003-R-1	09-33-353-020	5,546	30,600	$36,146
10-03983.004-R-1	09-33-354-023	5,546	30,600	$36,146
10-03983.005-R-1	09-33-353-017	5,546	30,600	$36,146

Subject only to the State multiplier as applicable.

ANALYSIS

The subject properties consist of five parcels each of which is improved with a one-story duplex with approximately 2,400 square feet of living area. Each duplex was built in 1993. Each duplex has a slab foundation, central air conditioning and an attached garage with 506 square feet of building area. The properties are located at 1400, 1404, 1406, 1407 and 1409 Roberta Drive, Murphysboro, Somerset Township, Jackson County.

The appellant appeared before the Property Tax Appeal Board contending overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal for the property with the address of 1409 Roberta, Murphysboro, Illinois, further identified by property index number (PIN) 09-33-354-022 estimating this property had a market value of $95,000 as of April 21, 2011. The appraisal was prepared by Alan Heumann, a State of Illinois Certified Residential Real Estate Appraiser. In estimating the market value of the subject property the appraiser developed the cost approach, the income approach and the sales comparison approach to value. Heumann was called by the appellant has his witness. Heumann identified Appellant's Exhibit #1 as the appraisal of the subject property he prepared.

The witness described the subject duplex as being in good condition. The appraiser also was of the opinion that market conditions had not changed significantly from January 1, 2010, the assessment date at issue, and April 21, 2011, the effective date of the appraisal.

Under the cost approach the appraiser estimated the subject had a site value of $15,000. The appraiser estimated the replacement cost new of the improvements to be $173,785 using the Marshall and Swift Cost Manual. Using the age-life method with the subject having an effective age of 12 years and an economic life of 60 years, the appraiser estimated depreciation to be $34,757 resulting in a depreciated improvement value of $139,028. Adding the various components, the appraiser estimated the subject property had an estimated market value of $154,028 under the cost approach to value.

Using the income approach the appraiser identified three rental comparables improved with duplexes that ranged in size from 1,800 to 2,400 square feet of building area. These rentals were the same properties as the comparable sales used by the appraiser. The comparable ranged in age from 15 to 23 years old. The comparables had units ranging in size from 900 to 1,200 square feet of living area. The rentals for each duplex were reported to range from $800 to $1,350 per month or from $400 to $675 per unit per month and from $.41 to $.56 per square foot of living area. The subject property was reported to have a monthly rental of $1,330 or $665 per unit and $.55 per square foot of living area. Rental #2 was located along the same street as the subject property, was the same size as the subject property and the same age as the subject property. Heumann was of the opinion this rental comparable was most similar to the subject property. This comparable had a monthly rental of $1,350 or $675 per unit or $.56 per square foot of living area. Using this data the appraiser estimated the subject property had a market rent per month of $1,270 or $635 per unit. The comparables had gross rent multipliers ranging from 81.48 to 91.58. The appraiser estimated the subject would have a gross rent multiplier of 85. Applying the gross rent multiplier to the subject's estimated market rent of $1,270 per month resulted in an estimated value of $107,950 under the income approach.

Using the sales comparison approach the appraiser provided information on three comparable sales described as one-story duplexes that ranged in size from 1,800 to 2,400 square feet of living area. The duplexes ranged in age from 15 to 23 years old. None of the comparables had a basement, two had central air conditioning and two had garages. Each comparable was located in Murphysboro. The comparables sold from September 2007 to October 2010 for prices ranging from $72,000 to $110,000. The sales prices equated to $37.31 to $48.33 per square foot of living area; $36,000 to $55,000 per unit, $9,000 to $11,000 per room or $18,000 to $27,500 per bedroom, including land. After making adjustments to the comparables for differences from the subject

the appraiser estimated the comparables had adjusted prices ranging from $80,300 to $110,000. The adjusted prices equated to $40,150 to $55,000 per unit, $10,038 to $12,563 per room or $20,075 to $27,500 per bedroom, including land. Based on this data the appraiser estimated the subject had indicated values of $47,000 per unit or $94,000; $43.00 per square foot of living area or $103,200; $11,000 per room or $110,000; and $24,000 per bedroom or $96,000. The appraiser concluded the subject property had an indicated value under the sales comparison approach of $95,000.

In reconciling the three approaches to value the appraiser gave most weight to the sales comparison approach to value and estimated the subject property had a market value of $95,000 as of April 21, 2011.

The appraiser stated within report that the appellant owns four more duplexes in the same subdivision built to the same floor plan located at located at 1400, 1404, 1406, and 1407 Roberta. He asserted that the value of each duplex could be considered equal to or the same as the subject of the report.

Based on this evidence, the appellant requested a reduction in the in the assessments of each of the parcels under appeal to reflect a market value of $95,000.

Under cross-examination the appraiser agreed his comparable sale #2 and comparable rental #2, which is the same property, is the best comparable in the record. The appraiser also agreed that he reported the subject as being in good condition while the comparable sales were reported to be in average condition.

The board of review submitted its "Board of Review Notes on Appeal" wherein the total assessment of each property under appeal of $36,666 was disclosed. The total assessment for each property reflects a market value of approximately $111,582 or $46.49 per square foot of living area, including land, when applying the 2010 three year average median level of assessment for Jackson County of 32.86% as determined by the Illinois Department of Revenue.

The board of review submitted a written statement with various attachments which was marked as BOR Group Ex. #1. In the statement and at the hearing the board of review explained the subject property was an income producing property and had been valued as such. The board also explained that it has been the practice of the board of review to value all income producing properties in this manner. The board of review noted comparables #1 and #3 used by the appellant's appraiser were smaller than the subject property and rent for considerably less. The board was of the opinion that if a property receives more rent it should be valued greater than one that receives less rent. It further noted that comparable #2 in the appraisal was similar to the subject property, rents for a similar amount and is located in the same neighborhood. The board of review noted this property

rented for $1,350 per month, similar to the subject's $1,330 per month, yet the appraiser used $1,270 per month as the market rent in the income approach. The board of review was of the opinion the market rent for the subject property would be higher. The board of review was of the opinion the subject was superior to comparables #1 and #3.

Following the hearing the board of review provided copies of the property record cards for the properties under appeal, which were marked as BOR Exhibits #2 through #6 for the respective PINs as follows:

BOR Exhibit No.	PIN
BOR Ex. #2	09-33-354-022
BOR Ex. #3	09-33-353-019
BOR Ex. #4	09-33-353-020
BOR Ex. #5	09-33-354-023
BOR Ex. #6	09-33-353-017

The board of review requested confirmation of the assessments of the subject properties.

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 Board further finds the evidence in the record supports a reduction in the assessments of the properties under appeal.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. 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); 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence to establish the market value of the subject property to be contained in the appraisal of the subject property submitted by the appellant. The appraiser developed the three traditional approaches to value in estimating the subject property had a market value of $95,000 as of April 21, 2011. In reviewing the appraisal and considering the testimony of Mr. Heumann, the Board finds the appraiser understated the value of the subject property as of the assessment date at issue. Under the cost approach the appraiser estimated the subject property had a market value of $154,028. The board of review presented no evidence challenging any aspect of this approach to value.

The appellant's appraiser also developed an income approach to value in which he indicated the subject's market rent was $1,270

per month. The Board finds the estimate of market rent is not supported by the subject's actual rent or the best comparable in the record. The record disclosed the subject had a current monthly rental of $1,330. Comparable #2 was practically identical to the subject in location and physical characteristics. This property had a monthly rent of $1,350. The other two comparables were not as similar to the subject in location and size. Considering the best comparable in the record the Board finds the subject's actual rent is reflective of market rent. Using the subject's actual rent of $1,330 per month and the gross income multiplier of 85 as determined by Heumann would result in an indicated value under the income approach of $113,050, which is above Heumann's estimated value under the income approach of $107,950.

With respect to the sales comparison approach the Board finds the best sale to be comparable sale #2, which was practically identical to the subject in all respects. This property sold in September 2007 for a price of $110,000. The appraiser concluded this property had an adjusted price of $110,000. He did not make any adjustment for time based on his conclusion values remained unchanged over this period. The Board finds that the best sale in the record supports an estimated market value for the subject property under the sales comparison approach of $110,000 and not the $95,000 as determined by the appellant's appraiser.

Based on this record the Board finds the subject property had a market value of $110,000 as of January 1, 2010. Since market value has been determined the 2010 three year average median level of assessment for Jackson County of 32.86% shall apply, and a reduction in the subject's assessment is accordingly justified. (86 Ill.Admin.Code §1910.50(c)(1)).

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: August 23, 2013

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.