



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

APPELLANT: First Mid Bank & Trust, NA
DOCKET NO.: 21-05181.001-C-1
PARCEL NO.: 17-13-27-210-001-00

The parties of record before the Property Tax Appeal Board are First Mid Bank & Trust, NA, the appellant, by Jason M. Crowder, Attorney at Law in Mattoon; and the Christian County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds A Reduction in the assessment of the property as established by the **Christian** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$32,509
IMPR.: \$102,491
TOTAL: \$135,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Christian County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2021 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a 1-story commercial building of brick exterior construction with 3,700 square feet of gross building area. The building was constructed in 1975. Features of the building include an unfinished basement. The property has an approximately 34,000 square foot, or 0.78 of an acre, site and is located in Taylorville, Taylorville Township, Christian County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$405,000 as of January 1, 2021. The appraisal was prepared by Donna J. Howard, MAI, a certified general real estate appraiser, for ad valorem tax purposes.

The appraiser inspected the subject on October 22, 2021 and noted in the report that the subject is an owner-occupied retail bank building. The appraiser stated the subject's basement is unfinished due to its finish being damaged by mold and removed and the subject lacks a drive-up canopy that is typical of branch bank facilities.

The appraiser provided a description of the neighborhood using a drive time analysis and defined the subject's market area as being a fifteen-minute drive to the subject. The appraiser estimated the current population of the subject's market area and reported the median household income in the subject's area.

The appraiser concluded the highest and best use of the subject as vacant would be for commercial development and as improved would be for a branch bank facility.

The appraiser developed the income approach, but stated this type of property is typically owner-occupied. The appraiser selected three rent comparables located in Champaign, Belleville, and Mt. Vernon. The comparables have from 3,500 to 4,675 square feet of leased area and were constructed from 1998 to 2014. Two comparables are rented on a triple net basis for \$14.25 or \$18.15 per square foot of leased area and one comparable is listed for \$18.00 per square foot of leased area on a triple net basis. The appraiser made adjustments to the comparables for differences from the subject ranging from -20.00% to 7.00%, with net adjustments ranging from -39.00% to -17.00%. Based on the foregoing, the appraiser concluded a market rent of \$12.00 per square foot of gross building area on a triple net basis for the subject, or gross potential income of \$44,400.

The appraiser estimated a 10% vacancy and collection loss, or \$4,440, based on the subject's secondary location and lack of a drive-up canopy, to conclude effective gross income of \$39,960. The appraiser then estimated expenses of \$2,738, including management fees and reserves for replacement, to arrive at net operating income for the subject of \$37,222.

To calculate the capitalization rate, the appraiser examined investor surveys for suburban office buildings with rates ranging from 4.30% to 12.76% and an average of 9.00%, investor surveys for free-standing retail buildings with rates ranging from 4.86% to 13.22% and an average of 9.75%, and a band of investment analysis resulting in a rate of 8.50%. Based on the foregoing, the appraiser estimated a capitalization rate of 9.00% for the subject and computed an indicated value for the subject of \$410,000 under the income approach.

Under the sales comparison approach, the appraiser selected five comparable sales located in Peoria, Urbana, Decatur, and East Alton. The parcels range in size from 6,312 to 97,574 square feet of land area and are improved with branch bank facilities ranging in size from 1,544 to 3,546 square feet of gross building area. The buildings were constructed from 1950 to 2009. The comparables sold from September 2018 to June 2020 for prices ranging from \$195,000 to \$630,000 or from \$125.08 to \$177.66 per square foot of gross building area, including land. The appraiser made adjustments to the comparable sales for differences from the subject ranging from -15.00% to 3.00%, with net adjustments ranging from -35.00% to -19.50%, to arrive at adjusted sale prices ranging from \$89.04 to \$127.92 per square foot of gross building area, including land. Based on the foregoing, the appraiser estimated an indicated value of \$105.00 per square foot of gross building area, land included, or \$390,000 rounded for the subject.

After considering the two approaches to value, the appraiser opined a value for the subject of \$405,000 as of January 1, 2021. The appraiser did not develop the cost approach due to the age of the subject property.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$166,666. The subject's assessment reflects a market value of \$502,460 or \$135.80 per square foot of living area, land included, when using the 2021 three year average median level of assessment for Christian County of 33.17% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales located in Waterloo, Troy, Peoria, and Yorkville. Comparable #3 is the same property as appraisal sale #1. The parcels range in size from 0.83 of an acre to 1.46 acres of land area and are improved with 1-story bank or retail buildings ranging in size from 1,400 to 4,534 square feet of gross building area. The buildings range in age from 14 to 26 years old. The comparables sold from November 2018 to April 2022 for prices ranging from \$225,000 to \$780,000 or from \$151.33 to \$177.66 per square foot of living area, including land.

The board of review submitted a letter asserting the appraiser's conclusion of \$105.00 per square foot of gross building area, including land, is below the range of sales presented in the appraisal.

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

Conclusion of Law

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. 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 appellant presented an appraisal and the board of review presented four comparable sales in support of their respective positions before the Board.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant. The appellant's appraisal contained both the income approach to value and the sales comparison approach to value. The Board finds the board of review presented no evidence to challenge or refute the appellant's appraiser's estimate of market rent, vacancy and collection loss, the expenses, the estimated net operating income, or the capitalization rate used to capitalize the estimated income into an estimate of value. The board of review did not develop an estimate of value using the income approach to rebut the appellant's appraiser's income approach to value.

The appellant's appraiser also developed the sales comparison approach to value using five comparable sales and provided details such as the population count within a 15 minute drive of the subject and the comparables, the median household income within a 15 minute drive of the subject and the comparables, and the traffic count past the subject and the comparables to demonstrate the similarities of the properties and justify, in part, the adjustments made to the comparables for differences from the subject property. The appraiser ultimately estimated the subject property had a market value of \$405,000 as of January 1, 2021, which is less than the market value reflected by the subject's assessment of \$502,460 or \$135.80 per square foot of gross building area, land included.

Based on this evidence, the Board finds a reduction in the subject's assessment commensurate with the appellant's request is justified.

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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



Member

DISSENTING: _____

CERTIFICATION

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: January 16, 2024



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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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APPELLANT

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COUNTY

Christian County Board of Review
Christian County Courthouse
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