PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: J. Flynn Building, LLC
DOCKET NO.: 05-20490.001-I-1 thru 05-20490.003-I-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board (PTAB) are J. Flynn Building, LLC, the appellant, by attorney John P. Fitzgerald of John P. Fitzgerald, Ltd of Chicago and the Cook County Board of Review.

The subject property consists of a 1930s and 1960s, masonry, one-story, industrial building containing 38,743 square feet of building area on a 69,268 square foot parcel and located in Cicero Township, Cook County.

The appellant, through counsel, appeared before the PTAB and submitted evidence before the PTAB claiming that the subject's market value is not accurately reflected in its assessment.

In support of this argument the appellant submitted an appraisal dated January 1, 2005 containing the three approaches to value. In the cost approach, based on the adjustment of five land sales, the appraiser estimated the land value to be approximately $210,000 or $3.00 per square foot. The appraiser estimated the depreciated value of the building and on site improvements to be $280,039 or a land and improvement total of $490,039, i.e. $490,000, rounded for the cost approach.

In the sales approach the appraiser used four industrial building sales ranging in size from 14,800 to 134,500 square feet that occurred between February 2002 and February 2004 for prices ranging from $10.79 to $12.88 per square foot and after appropriate adjustments arrived at a value of $12.50 per square foot or a value of $484,288 or $485,000 rounded via the sales comparison approach.

In the income approach the appraiser employed five comparable gross rentals ranging from $2.75 to $5.55 or gross rentals and considered $4.15 to be an appropriate rental for the subject. After considering vacancy loss & comparable expenses the appraiser arrived at a net operating income of $95,981. Research

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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 **COOK** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO.	PROPERTY NO.	LAND	IMPR.	TOTAL
05-20490.001-I-1	16-32-104-001	$61,801	$105,721	$167,522
05-20490.002-I-1	16-32-104-024	$ 3,329	$ 210	$ 3,539
05-20490.003-I-1	16-32-104-027	$ 3,329	$ 210	$ 3,539

Subject only to the State multiplier as applicable.

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yielded a loaded capitalization rate of 20.46%. Capitalizing the net operating income of $95,981 with a loaded rate of 20.46% resulted in a rounded income approach estimated value of $469,115 or a rounded figure of $470,000. The appraiser gave the sales comparison approach and the income approach the most weight supported by the cost approach resulting in a final value of $485,000.

Based upon this evidence, the appellant requested a reduction in the subject's total assessment to reflect the reduced market value.

The board of review submitted "Board of Review-Notes on Appeal" that disclosed the subject's total assessment of $209,211 which reflects a market value of $581,141 as factored by the Cook County Ordinance level of 36%. The board submitted evidence in support of its assessed valuation of the subject property. As evidence the board offered five sales of industrial buildings that occurred between April 2005 and September 2005 for prices ranging from $1,280,000 to $2,275,000 or from $35.12 to $45.50 per square foot of land and building. No analysis and adjustment of the sales data was provided by the board. The board also noted the subject was purchased January 2005 for $700,000. Based on this evidence the board asked for confirmation of the subject's assessment.

In rebuttal, the appellant claimed the subject was not an arm's length purchase because the appellant did construction work on the Brown Line if the C.T.A. and needed this property which was close to the construction work. The appellant's appraiser claimed the subject was purchased for a premium price due to the subject's location. The appraiser also did not consider the purchase an arm's length transaction because upon review of other industrial sales in the area, the appraiser found the purchase price above market prices. The board's suggested sales comparables are substantially above the subject's purchase price.

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.

When overvaluation is claimed the appellant has the burden of proving the value of the property by a preponderance of the evidence. *Property Tax Appeal Board Rule* 1910.63(e). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. *Property Tax Appeal Board Rule* 1910.65(c).

The PTAB finds that the appellant has met this burden and has submitted the best evidence of market value. The appellant's appraisal indicates that the subject property was valued at $485,000. Since the market value of the subject has been established, the Cook County Class 5b property assessment of 36% will apply. The subject's total assessment should not be in

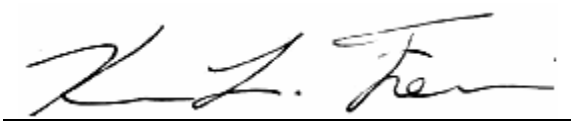
excess of $174,600, while the subject's current total assessment is at $209,211.

The PTAB gives less weight to the board's sales evidence because it lacks analysis and a supported conclusion of value. All of the sales are beyond the 2005 assessment date.

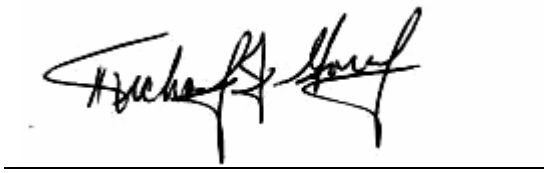
As a result of this analysis, the PTAB finds that the appellant has adequately demonstrated that the subject property was overvalued and that a reduction in the subject's assessment is warranted.

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



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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 5, 2008

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.