



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

APPELLANT: Stec Properties, LLC
DOCKET NO.: 06-00408.001-I-1
PARCEL NO.: 09-01-101-015

The parties of record before the Property Tax Appeal Board are Stec Properties, LLC, the appellant, by attorney Joseph F. Locallo of Amari & Locallo, Chicago, Illinois; and the Will 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 Will County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$62,317
IMPR: \$354,729
TOTAL: \$417,046

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 60,112 square foot parcel improved with a 17,524 square foot, single story, multi-tenant industrial building. The building has concrete panel exterior construction and was built in 2004. The property is located in Tinley Park, Frankfort Township, Will County.

The appellant, through counsel, contends assessment inequity with respect to the improvement assessment as the basis of the appeal. In support of this argument the appellant provided six comparable properties. The information provided by the appellant included the property index numbers (PINs), addresses, building sizes, improvement assessments, improvement assessments per square foot, photographs of the subject and the comparables, copies of portions of the Will County property record cards for the subject and the comparables from the Will County Supervisor of Assessments web site and an aerial map depicting the location of the various properties. The appellant's counsel stated in the written submission the comparables are located within the immediate vicinity of the subject property and are very similar to the subject in terms of land size, building size, age and

construction. The comparables range in size from 19,200 to 25,967 square feet and have improvement assessments ranging from \$258,047 to \$359,571 or from \$13.37 to \$17.84 per square foot of building area. The subject has an improvement assessment of \$354,729 or \$20.24 per square foot of building area.

The appellant's counsel also analyzed the comparables based on the proposed 2006 market values. The appellant indicated the comparables had total assessments ranging from \$347,891 to \$484,900 reflection market values ranging from \$1,043,777 to \$1,454,845 or from \$52.18 to \$65.55 per square foot of building area. The subject has a total assessment of \$417,046 reflecting a market value of \$1,251,263 or \$71.40 per square foot of building area.

The appellant's attorney also argued the board of review reduced the subject's assessment to \$417,046 to reflect the purchase price. He argued that the transfer value was not a traditional sale in that the owners developed the property through the use of a developer. The price was based on the development agreement that included the price of the land, construction costs, build out for the owner occupied space and the like. The appellant submitted a copy of the budgetary proposal for the subject property dated January 23, 2003, indicating a total cost of \$1,204,106. The appellant also submitted a copy of an invoice dated December 8, 2004, indicating the total cost of the building and land, after considering extra's and credits for items not built, was \$1,251,265.70.

Based on this evidence the appellant requested the subject's improvement assessment be reduced to \$15.00 per square foot of building area resulting in an improvement assessment of \$262,860 and a total assessment of \$325,177. The appellant asserted this equates to a market value of \$975,629 or \$55.67 per square foot of building area.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$417,046 was disclosed. In support of the assessment the board of review submitted correspondence from the township assessor including equity comparables and comparable sales.

The assessor asserted the subject's total assessment of \$417,046 equates to a market value of \$1,251,138 ($\$417,046 \times 3$). The assessor contends the appellant submitted data showing the cost of the building and land was \$1,251,265, which supports the assessment. Included with the assessor's documentation was a copy of the Illinois Real Estate Transfer Declaration, PTAX-203, recorded on February 7, 2006 associated with a transfer of the subject property. Line 13 of the transfer declaration disclosed the net consideration for real property was \$1,251,265.70. The board of review also submitted a copy of the Illinois Real Estate Transfer Declaration Supplemental Form A, PTAX-203-A, purportedly signed by both the seller's and buyer's attorneys. The form

indicated an answer of "yes" to question #8 asking, "In your opinion, is the net consideration for real property entered on Line 13 of Form-203 a fair reflection of market value on the sale date?"

The assessor also submitted a rent role for the subject property and indicated the owner is one of three tenants in the building. The assessor noted the rent role was provided by the appellant. Using this evidence the assessor developed an income approach to value estimating the subject property had a market value of \$1,249,030, which would result in an assessment of \$416,343.

The assessor also provided an equity analysis using seven comparables. The assessor indicated the comparables were 1-story buildings of concrete panel exterior construction that ranged in size from 15,251 to 25,514 square feet of building area. The buildings were constructed from 1996 to 2003. Their improvement assessments ranged from \$380,460 to \$560,048 or from \$19.01 to \$24.95 per square foot of building area. The assessor contends the subject's improvement assessment of \$354,729 or \$20.24 per square foot of building area is within this range.

The assessor also provided a grid analysis using five comparable sales. The comparables were improved with one-story buildings ranging in size from 14,608 to 34,087 square feet of building area. These properties had parcels ranging in size from 22,500 to 108,900 square feet resulting in land to building ratios ranging from .96:1 to 6.73:1. The information provided by the assessor indicated that comparables #2, #4 and #5 were built in 1992, 1993 and 2003, respectively. Three were described as being of concrete exterior construction and three had ceiling heights ranging from 22 to 30 feet. Four comparables were described as being used as a combination of industrial/warehouse/office buildings. The comparables sold from December 2004 to June 2007 for prices ranging from \$1,060,000 to \$2,552,850 or from \$70.67 to \$103.57 per square foot of building area, land included. The assessor's analysis indicated the subject's assessment reflects a market value of approximately \$1,251,138 (assessed value x 3) or \$71.40 per square foot of building area, including land.

Based on this evidence the board of review was of the opinion no reduction should be given the subject's assessment.

In rebuttal the appellant's counsel contends the subject property had an actual cost of construction of \$1,204,106 not \$1,251,265. The appellant's counsel also argued the subject's actual income and expenses cannot be used to reflect the market value of the property. The appellant's attorney also critiqued the equity comparables used by the assessor contending comparables #1 and #3 were located in a strip mall and are multi-tenant retail commercial buildings; comparable #2 included a 2-story office area composing 41% of the building space and has an actual building area of 29,551 square feet resulting in a building assessment of \$18.95 per square foot of building area, comparable

#4 sold in December 2006 for a price of \$1,175,347 or \$60.85 per square foot of building area, and comparable #7 is a commercial building with offices and has no warehouse space. With respect to the comparables sales, the appellant's attorney argued the first two sales were located in the Interstate 55 corridor superior to the subject's location; the fourth sale occurred in 2007; and the PTAX-203 form indicated the transaction was between related individuals or corporate affiliates. The appellant's counsel did not submit a copy of the PTAX-203 associated with the sale.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds it has jurisdiction over the parties and the subject matter of the appeal. The Board further finds the evidence in the record does not support a reduction in the subject's assessment.

The appellant's attorney argued assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. (86 Ill.Admin.Code 1910.63(e)). The Board finds the appellant did not demonstrate the subject was being inequitably assessed with clear and convincing evidence.

In considering the equity comparables submitted by the appellant, the Board finds the appellant did not provide information with respect to age, construction, number of stories, ceiling height, loading docks, sprinklers, office space, use, land area and the like. The appellant's attorney simply made a statement that the comparables are located within the immediate vicinity of the subject property and are very similar to the subject in terms of land size, building size, age and construction without any corroborative evidence. The Board finds the minimal data provided by the appellant did not provide the Property Tax Appeal Board with sufficient evidence to make a meaningful analysis of the properties to determine comparability with the subject. As a result, little weight was given the appellant's evidence and argument. The board of review did provide information on seven equity comparables with more descriptive detail than provided by the appellant. The comparables had varying degrees of similarity to the subject with improvement assessments ranging from \$19.01 to \$24.95 per square foot of ground floor building area. The Board gave these comparables more weight than the comparables submitted by the appellant. After considering the differences in the board of review's comparables when contrasted with the subject, the Board finds the subject's improvement assessment is equitable and a reduction in the subject's assessment is not warranted on this basis.

The appellant's attorney also made some issue with respect to the market value of the subject as reflected in the assessment. The subject's total assessment reflects a market value of approximately \$1,251,263 or \$71.40 per square foot of building

area, land included. This estimate of value is supported by the invoice submitted by the appellant dated December 8, 2004, indicating the total cost of the building and land, after considering extras and credits for items not built, was \$1,251,265.70. This value estimate is further supported by the Illinois Real Estate Transfer Declaration, PTAX-203, recorded on February 7, 2006 associated with a transfer of the subject property. Line 13 of the transfer declaration disclosed the net consideration for real property was \$1,251,265.70. Furthermore, a copy of the Illinois Real Estate Transfer Declaration Supplemental Form A, PTAX-203-A, purportedly signed by both the seller's and buyer's attorneys indicated an answer of "yes" to question #8 asking, "In your opinion, is the net consideration for real property entered on Line 13 of Form-203 a fair reflection of market value on the sale date?" The assessor also developed an income approach to value which supported the estimated market value as reflected by the assessment. Finally, the assessor provided information on five comparable sales with varying degrees of similarity to the subject property. The comparables sold from December 2004 to June 2007 for prices ranging from \$1,060,000 to \$2,552,850 or from \$70.67 to \$103.57 per square foot of building area, land included. The subject's assessment reflecting a market value of \$1,251,263 or \$71.40 per square foot of building area, land included, is at the low end of the range on a per square foot basis. The Board finds this evidence supports the conclusion the subject's assessment is reflective of the property's market value.

In conclusion, the Board finds the assessment of the subject property as established by the board of review is correct and a reduction in the assessment is not justified 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank J. Huff

Member

Mario Morris

Member

Shawn R. Lerbis

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: April 23, 2010

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.