FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Tad Pasek
DOCKET NO.: 06-25835.001-C-1 through 06-25835.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Tad Pasek, the appellant, by attorney Howard W. Melton of Howard W. Melton and Associates, in Chicago, Illinois; and the Cook 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 **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
06-25835.001-C-1	19-03-303-001-0000	15,232	58,514	$73,746
06-25835.002-C-1	19-03-303-002-0000	22,055	133,590	$155,645

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of two adjacent parcels improved with three industrial buildings with a combined building area of 28,448 square feet constructed on slab foundations. The buildings were constructed in 1961 and 1964. Building 1 located on parcel number (PIN) 19-03-303-002-0000 is a two-story building used as office space. Building 2 on PIN 19-03-303-002-0000 is a one story masonry industrial building. The third building is located on PIN 19-03-202-001-0000 and is a one-story industrial building. The subject property has a total land area of 44,602 square feet resulting in a land to building ratio of approximately 1.56:1. The property is located in Chicago, Lake Township, Cook County. PIN 19-03-202-001-0000 is classified as a class 5-93 property (industrial building) under the Cook County Real Property Assessment Classification Ordinance ("Ordinance") with a level of assessment of 36% of market value. PIN 19-03-303-002-0000 is classified as a class 5-22, 5-90, and 5-97 commercial property under the Ordinance, with a level of assessment of 38% of market value.[1]

[1] The classification associated with the PINs is taken from the copies of the subject's property record cards submitted by the board of review.

The appellant contends overvaluation with respect to the assessment of the subject property for the 2006 tax year as the basis of the appeal. In support of this market value argument the appellant submitted an appraisal prepared by James A. Matthews a State of Illinois Certified General Appraiser. Matthews estimated the subject property had a market value of $455,000 as of January 1, 2006.

The appraiser stated within the report that the purpose of the appraisal was to estimate the market value of the real estate in order to establish an equitable ad valorem tax assessment. The intended user of the report was the appellant, Tad Pasek. The appraiser further stated within the report the subject property is owner-occupied. (Appraisal page 16.) Matthews determined the highest and best use of the site as vacant would be to develop for industrial use. The appraiser asserted the highest and best use of the site as improved is to maintain and renovate the current improvements. (Appraisal page 20.) In estimating the market value of the subject property the appraiser developed the sales comparison approach to value.

The appraiser utilized six comparable sales in the sales comparison approach that were composed of three, one-story industrial buildings and three, two-story industrial buildings that ranged in size from 24,200 to 42,000 square feet of building area. The buildings were constructed from 1921 to 1965. These properties had sites ranging in size from 21,403 to 58,017 square feet of land area resulting in land to building ratios ranging from .72:1 to 1.49:1. The sales occurred from July 2002 to January 2005 for prices ranging from $300,000 to $700,000 or from $12.40 to $17.94 per square foot of building area, including land. The appraiser made a positive adjustment to each comparable for date of sale; a negative adjustment to sale #1 for size; positive adjustments to sales #5 and #6 for size; and positive adjustments to all sales but #5 for land to building ratio. The adjusted prices ranged from $13.06 to $21.22 per square foot of building area, including land.[2] Based on his analysis the appraiser estimated the subject had an indicated value of $16.00 per square foot of building area, including land, or $455,000, rounded.

Based on this evidence the appellant requested the subject's assessment be reduced to $172,900 using a 38% level of assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the combined assessments of the two PINs under appeal of $229,391 was disclosed. PIN 19-03-202-001-0000 had a total assessment of $73,746 reflecting market value of $204,850

[2] The appraiser miscalculated the unit value for sale #1 at $11.46 per square foot of building area resulting in an adjusted price of $13.06 per square foot of building area. Using the correct sales price for sale #1 of $12.40 per square foot of building area, including land, the adjusted price should be $14.14 per square foot of building area.

using the 36% level of assessment for industrial property. PIN 19-03-303-002-0000 had a total assessment of $155,645 reflects a market value of $409,592 using the 38% level of assessments for commercial property. The PINs have a combined market value of $614,442 or $21.60 per square foot of building area, including land.

In support of the assessment the board of review submitted information on five comparable sales. The comparables were improved with one-story industrial buildings that ranged in size from 15,000 to 30,144 square feet of building area. The buildings were constructed from 1949 to 1969. These properties had sites ranging in size from 33,411 to 168,529 square feet of land area resulting in land to building ratios ranging from 1.66:1 to 7.66:1. These properties had office space ranging from 7% to 16.7% of building area and the evidence disclosed four of the comparables had ceiling heights ranging from 14 to 21 feet. The sales occurred from July 2002 to December 2005 for prices ranging from $550,000 to $1,111,500 or from $25.00 to $47.18 per square foot of building area, including land. The data provided by the board of review indicated that its comparable #3, which first sold in July 2002, sold again in January 2008 for a price of $1,135,000 or for $75.67 per square foot of building area, including land. This comparable had refrigeration and cold storage area. Based on this record, 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 the appeal. The Board further finds the evidence in the record does not support a reduction in the subject's assessment.

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). 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant submitted an appraisal estimating the subject had a market value of $455,000 using only the sales comparison approach to value. The Board finds four of the six sales used in the appraisal occurred from approximately 26 months to 41 months prior to the assessment date, three sales were two-story buildings and four were significantly older than the subject being constructed from 1921 to 1937. Furthermore, the Board finds the appraiser provided minimal descriptive date about the subject and the comparables. The appellant's appraiser did not break out the various sizes of the three buildings that comprise

the subject property; there was no description with respect to amount of office space associated with the subject and the comparables, no discussion with respect to ceiling heights associated with the subject and the comparables and there was no discussion with respect to loading features present on subject and the comparables. These are elements or units of comparison that aid in the determination of the comparability of the comparable sales to the subject. Based on this review the Board finds the appraisal and the conclusion of value offered by the appraiser was not credible.

In reviewing the raw sales submitted by the appellant, as outlined in the appraisal, and the board of review, the Board finds the best comparables to be appraisal comparable sale #5 and board of review comparables #4 and #5. These comparables were industrial buildings constructed in 1963 and 1964 that ranged in size from 17,591 to 39,014 square feet of building area. The sales occurred from August 2004 to December 2005 for prices ranging from $700,000 to $1,111,500 or from $17.94 to $47.18 per square foot of building area, including land. The subject has a market value as reflected by the assessment of $614,442 or $21.60 per square foot of building area, including land, which is below the sales price of each comparable but within the range on a square foot of building area basis. Based on this record the Board finds the subject's assessment is reflective of the property's market value and a change in the assessment of the subject property is not 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.

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: November 30, 2012

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.