FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Randall Jacklin
DOCKET NO.: 07-20773.001-C-1 through 07-20773.005-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Randall Jacklin, the appellant(s), by attorney Adam E. Bossov, of Law Offices of Adam E. Bossov, P.C. of Chicago; and the Cook 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 **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-20773.001-C-1	16-30-402-002-0000	10,331	13,968	$24,299
07-20773.002-C-1	16-30-402-003-0000	10,331	33,694	$44,025
07-20773.003-C-1	16-30-402-004-0000	10,331	17,796	$28,127
07-20773.004-C-1	16-30-402-005-0000	10,331	27,305	$37,636
07-20773.005-C-1	16-30-402-010-0000	10,331	1,882	$12,213

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 21,950 square foot, non-sprinkled, cut-up and divided; one and part two-story, with no basement, masonry-constructed, warehouse building constructed in stages over time from 1935 to 1981. The first floor consists of 12,955 square feet of warehouse and shop area including a small amount of retail showroom and office space. The second floor consists of 8,995 square feet of predominantly storage space and a six-room apartment with only one form of ingress and egress to the unit. The improvements are situated on a 15,000 square foot site zoned C-1, Limited Commercial District, and a non-contiguous 3,741 square foot site utilized for parking, zoned A-1, Single Family Residential District in Berwyn, Illinois.

The appellant, through counsel, submitted evidence before the Property Tax Appeal Board and raised two arguments: first, that there was unequal treatment in the assessment process of the improvement; and second, that the fair market value of the subject is not accurately reflected in its assessed value.

As to the market value argument, the appellant submitted a copy of a self-contained complete appraisal report prepared by a State of Illinois certified real estate appraiser. The appraisal disclosed that the appraiser made a personal inspection of the subject property and that the appraiser determined the subject's highest and best use to be its current use. The appraiser utilized the three traditional approached to value to estimate a market value of $385,000 for the subject as of January 1, 2005.

In the cost approach to value, the appraiser reviewed the sales of five comparables located within the subject's area. After considering adjustments for market conditions, size, location and zoning, the appraiser opined a value for the subject's land, if vacant, of $7.25 per square foot, or $135,000, rounded. Using the *Marshall Valuation Service* to estimate replacement cost, the appraiser estimated a replacement cost new for the subject of $765,000. Accrued depreciation from all causes was estimated to be 65%, or $497,250, and deducted from the estimated replacement cost. A cost of $25,000 for other site improvements was added to the depreciated cost of the main improvement, as was a land value of $135,000. Thus the appraiser determined a value for the subject via the cost approach of $405,000 rounded, as of January 1, 2005.

The next method employed by the appraiser was the income capitalization approach. Rental data from five properties located in the subject's market area were used as the basis of this approach. The appraiser indicated that considering the subject's interior finish, inferior loading facilities, cut-up and divided area as well as other relevant factors arrived at a gross rent of $5.00 per square foot of building area. Thus, the potential gross income (PGI) was estimated to be $109,750. Based on current vacancy levels in the market, the appraiser estimated a 7% vacancy and collection loss rate, resulting in an effective gross income of $102,067. The next step taken by the appraiser was the deduction of expenses totaling $25,176, resulting in a net operating income of $76,891 (NOI) for the subject. The appraiser then researched the market utilizing the band of investment technique to determine an overall capitalization rate of 19.44% for the subject. Applying the capitalization rate to the NOI resulted in a value for the subject through the income approach of $395,000 rounded, as of January 1, 2005.

Next, the appraiser examined the sales of five, one-story, structural brick, warehouse or service type buildings built between 1949 and 1979 to estimate a value for the subject through

the sales comparison approach. The five comparables are located in Cicero, Maywood or Riverdale, Illinois. With land areas ranging in size from 13,250 to 58,017 square feet and building sizes ranging from 10,000 to 39,014 square feet, the comparables have land to building ratios ranging from 1.07:1 to 1.83:1. The comparables sold between June 2002 and January 2005 for prices ranging from $170,000 to $700,000, or from $11.49 to $17.94 per square foot of building area, including land. After adjustments, the appraiser concluded a value for the subject via the sales comparison approach of $17.50 per square foot of building area, including land, or $385,000, rounded as of January 1, 2005.

In reconciling the three approaches to value, the appraiser placed the most weight on the sales comparison approach and the income capitalization approach to value with secondary weight placed on the cost approach. The appraiser's final estimate of fair market value for the subject was $385,000, as of January 1, 2005. Based on the evidence submitted, the appellant requested an assessment reflective of a fair market value for the subject of $385,000.

In support of the equity argument, the appellant submitted assessment data on three of the five properties utilized in the appellant's sales comparison approach to value. The three comparables consist of one-story, structural brick, warehouse or service type buildings built between 1949 and 1955 located within the subject's market area. The total assessments range from $92,760 to $209,211 or from $3.31 to $6.70 per square foot of building area. Based on the evidence submitted, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the subject's total combined assessment of $175,001, which reflects a market value of $460,528, or $21.00 per square foot of building area, utilizing the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property, such as the subject. As evidence, the board of review submitted five sales with an unadjusted range of from $23.25 to $48.59 per square foot of building area, including land. No analysis or adjustment of the sales data was provided by the board. Based on the evidence presented, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant submitted a two-page brief arguing that included in the board's documentation is evidence of five alleged comparable sales that, by the board of review's own admission are not "adjusted for market conditions, time, location, age, size, land to building ratio, parking, zoning and other related factors."

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.

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); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd Dist. 2000). Proof of market value may consist of an appraisal, a recent arms-length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. (86 Ill.Adm.Code §1910.65(c)). Having considered the evidence, the Board finds the appellant has satisfied this burden and a reduction is warranted.

In determining the fair market value of the subject property, the Property Tax Appeal Board finds the best evidence to be the appellant's self-contained complete appraisal report. The appellant's appraiser utilized the three traditional approaches to value to estimate the fair market value of the subject. The Board finds this appraisal to be persuasive for the appraiser; has experience in appraising; personally inspected the subject property and reviewed the subject's history; utilized appropriate market data in undertaking the three approaches to value; and lastly, used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. The Board gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made.

Therefore, the Property Tax Appeal Board finds that the subject had a fair market value of $385,000 as of January 1, 2007. Since fair market value has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment for Class 5a property of 38% shall apply. In applying this level of assessment to the subject, the total combined assessed value is $146,300, while the subject's current total combined assessed value is above this amount at $175,001. Therefore, the Board finds that a reduction is warranted.

As a final point, the Board finds no further reduction is warranted based on the appellant's equity argument.

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: March 23, 2010

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.