



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

APPELLANT: D.C.& H. Ltd.  
DOCKET NO.: 07-20938.001-I-1  
PARCEL NO.: 28-03-200-025-0000

The parties of record before the Property Tax Appeal Board are D.C.& H. Ltd., the appellant, by attorneys Michael E. Crane and Jim Boyle, of Crane & Norcross in 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:

**LAND:** \$ 16,277  
**IMPR.:** \$ 181,723  
**TOTAL:** \$ 198,000

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of 30,144 square feet of land which is improved with a 34-year old, part one-story and part two-story, steel framed, industrial building.

The appellant argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the bases of this appeal.

In support of the market value argument, the appellant submitted an appraisal report of the subject property with an effective date of January 1, 2006. The appraisers estimated a market value for the subject of \$450,000, based upon development of the three traditional approaches to value. The appraisers inspected the subject on March 28, 2006 and estimated the subject's building contained 15,264 square feet of building area including 2,962 square feet of finished office area. They developed a highest and best use as vacant, for commercial development, while the highest and best use as improved was its current use.

As to the subject's history, the appraisal stated that the subject sold in February, 2006, for a value of \$550,000. The

appraisal also stated that the buyer indicated that the purchase included two exterior steel storage units, storage racks and sheet metal inventory. Further, the appellant's pleadings included a copy of the subject's settlement statement dated February 23, 2006 with a purchase price of \$550,000.

In the cost approach, the appraisers used 4 land sales to estimate a land value at \$2.00 per square foot or \$60,000, rounded. Then they employed the R.S. Means Square Foot Cost Manual to estimate a replacement cost new of \$1,110,000, rounded. Less 65% depreciation resulted in a depreciated value of the improvements at \$388,500. Adding the land value resulted in an opinion of value under this approach of \$450,000, rounded.

In the income approach, the appraisers used 5 rental comparables to estimate a net income of \$49,455 for the subject. Applying a market derived capitalization rate of 11.5% resulted in a value of \$430,000, rounded, under this approach to value.

Lastly, the appraisers developed a sales comparison approach using 5 improved sale comparables, which ranged in building size from 19,187 to 37,500 square feet of building area. The properties sold from September, 2002, to March, 2005. After making adjustments to the comparables, the appraisers opined a market value for the subject of \$30.00 per square foot or \$460,000 under this approach.

In reconciling these approaches to value, the appraisers placed maximum emphasis on the sales comparison approach. Therefore, the final estimate of value for the subject property is \$450,000 as of the assessment date at issue. Based upon this evidence, the appellant requested a reduction in market value.

At hearing, the appellant's attorney asserted that the board of review accorded the subject property a reduced assessment in tax year 2008 indicating a total assessment of \$197,881. Further, he indicated that he had no personal knowledge of subject's sale.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$209,674. The subject's assessment reflects a market value of \$582,427 or \$41.60 per square foot using the Cook County Ordinance level of assessment for industrial class 5B property of 36%. The board's memorandum states that the subject's improvement size is 14,000 square feet, while submitting a copy of the subject's property record card which is undated. In addition, these printouts stated that there was no data that other minor improvements were located on the subject property.

The board's memorandum indicated that the subject sold in February, 2006, for a price of \$550,000 or \$39.29 per square foot. In support thereof, copies of the subject's Trustee's Deed and Illinois Real Estate Transfer Declaration were submitted. The deed did not disclose that personal property was included in the subject's sale. Moreover, the subject's Illinois Real Estate

Transfer Declaration indicated: on line #11 that the full actual consideration was \$550,000; on line #12a that no personal property was included in this purchase; and on line #13 that the net consideration for the real property was \$550,000. This declaration was recorded with the Cook County Recorder of Deeds office on March 1, 2006. Further on this issue, a copy of the declaration's Supplemental Form A was submitted, which indicated on line #6 that no personal property was transferred during the subject's sale.

In support of the subject's market value, raw sales data was submitted for 5 properties. The properties are designated as industrial/warehouse or industrial/ truck terminal locations. The data from the CoStar Comps service sheets reflect that the research was licensed to the assessor's office, but failed to indicate that there was any verification of the information or sources of data. The properties sold in an unadjusted range from \$12.50 to \$73.67 per square foot of building area and range in building size from 10,180 to 14,000 square feet of building area.

Moreover, the board of review's memorandum stated that the data was not intended to be an appraisal or an estimate of value and should not be construed as such. The memorandum indicated that the information provided therein had been collected from various sources that were assumed to be factual and reliable; however, it further indicated that the writer hereto had not verified the information or sources and did not warrant its accuracy. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, the board's representative rested on the written evidence submissions.

After considering the arguments and reviewing 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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> Dist. 2000). 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. 86 Ill.Admin.Code 1910.65(c). Having considered the evidence presented, the Board concludes that the appellant has met this burden and that a reduction is warranted.

The Board finds the best evidence of the subject's market value to be the subject's sale which both parties jointly indicated had occurred in February, 2006, for a price of \$550,000. The Board finds unpersuasive the appellant's appraisers cursory and unsupported statements that the buyer said that storage units and

storage racks were included in the purchase price. The appraisers failed throughout the appraisal to submit either written evidence or photographic evidence that steel framed storage units were located on the subject. Moreover, the appellant failed to call as a witness either appraiser to testify as to this contradiction or the methodology employed in the appraisal. In contrast, the Board finds persuasive the board of review's evidence relating to the subject's sale indicating that no personal property was included in that sale. Therefore, the Board accorded diminished weight to the appellant's appraisal.

Further, the Board finds that the board of review submitted raw, unadjusted sales data, while not warranting the accuracy or reliability of this data.

Lastly, the Board finds that the appellant's assertion that the board of review reduced the subject's assessment in tax year 2008 also supports the subject's sale price.

Therefore, the Board finds that the subject property contained a market value of \$550,000. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5B, industrial property of 36% will apply. Therefore, the Board finds that a reduction 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.

*Ronald R. Cuit*

Chairman

*K. L. Fern*

Member

*Frank A. Huff*

Member

*Mario Morris*

Member

*J. R.*

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: December 20, 2013

*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.