



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

APPELLANT: CRP Holdings c/o Colliers B&K REMS  
DOCKET NO.: 07-24460.001-I-1  
PARCEL NO.: 10-20-300-042-0000

The parties of record before the Property Tax Appeal Board are CRP Holdings c/o Colliers B&K REMS, the appellant, by attorney Mitchell L. Klein, of Schiller Klein PC in Chicago; 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:

**LAND:** \$ 111,633  
**IMPR.:** \$ 158,130  
**TOTAL:** \$ 269,763

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of 65,283 square feet of land that is improved with a 12 year old, one-story, industrial warehouse building with 11,964 square feet of building area, of which 10% is used as office space. There is one interior dock and seven overhead doors. The appellant, via counsel, argued that the subject's market value was not accurately reflected in its assessment.

In support of the market value argument, the appellant submitted an appraisal undertaken by Joseph Thouvenell and Christopher Crowley of Madison Appraisal, LLC. The report indicates Thouvenell is a State of Illinois general certified appraiser and holds the MAI and the CRE designations, while Crowley is a State of Illinois general certified appraiser. The appraisal stated that the subject had an estimated market value of \$630,000 as of January 1, 2007 based on the cost approach to value, the income approach to value, and the sales comparison approach to value, to estimate the market value for the subject property. The appraisal states that the appraisers personally inspected the

subject, and that the subject's highest and best use as improved is its current use. Neither appraiser was present at the hearing to testify as to the contents of the appraisal or to be cross-examined regarding the methodology used.

Under the cost approach to value, the appraisers analyzed the sale of five properties to arrive at an estimate of value for the land at \$5.00 per square foot or \$325,000, rounded. The replacement cost new using *R.S. Means* was utilized to determine a cost for the improvement at \$940,000. The appraisers depreciated the improvement by 66% for a value of \$319,600. The land was added back in to establish a value under the cost approach of \$645,000, rounded.

Under the income approach to value, the appraisers analyzed the rents of five properties to arrive at an estimated net rental rate for the subject at \$6.50 per square foot of building area. This resulted in a potential net income (GPI) of \$77,766. Vacancy and collection loss and management fees were estimated at 10% of GPI for a net operating income (NOI) estimate of \$69,989.

In determining the appropriate capitalization (CAP) rate, the appraisers utilized the band of investment and market extraction techniques. They estimated a CAP rate of 10.5% to arrive at a market value for the subject under this approach of \$665,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of five properties. The properties range in age from 17 to 38 years and in size from 14,000 to 21,361 square feet of building area. The comparables sold from April 2005 to January 2007 for prices ranging from \$36.28 to \$51.95 per square foot of building area, including land. The appraisers made adjustments to each of the comparables for pertinent factors such as size, land to building ratio, and age. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach of \$51.50 per square foot of building area or \$615,000, rounded.

In reconciling the three approaches to value, the appraisal gave maximum emphasis to the sales comparison approach to value to arrive at a final estimate of value for the subject as of January 1, 2007 of \$630,000.

The appraisal also stated that the subject was part of a bulk portfolio sale and was allocated a sale price of \$1,880,000. The appraisers "do not consider this allocated sale price arm's-length, therefore [they] have placed minimal consideration on it and have relied on current market data." No further details regarding the purchase were provided by the appraiser or the appellant. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The Cook County Board of Review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$269,763 was disclosed. The subject's final assessment yields a fair market value of \$749,342 when the 36% assessment level for class 5-93 property under the Cook County Classification of Real Property Ordinance is applied. In support of the subject's assessment, the board of review submitted a property characteristic printout for the subject, and raw sales data for five industrial warehouse properties located within six miles of the subject. The suggested comparables range in size from 11,000 to 13,156 square feet of building area. The properties sold from December 2004 to September 2008 in an unadjusted range from \$670,000 to \$1,100,000, or from \$58.21 to \$92.11 per square foot of building area, land included. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the assessor's office. However, the board of review included a memorandum which states that the submission of these comparables is not intended to be an appraisal or an estimate of value, and should not be construed as such. The memorandum further stated that the information provided was collected from various sources and was assumed to be factual, accurate, and reliable; but that the information had not been verified, and that the board of review did not warrant its accuracy.

Additionally, the memorandum noted that the subject property, along with one additional parcel, indentified by PIN 10-20-300-036, was sold in April 2006 for a total purchase price of \$1,880,000. The board of review also submitted a copy of a recorded Trustee's Deed with transfer stamps confirming the sale price and sale date. The deed indicated that PIN -036 is a small vacant parcel of land. The 2007 assessed value for this parcel was \$43,601, indicating a market value of \$198,186 when the 22% assessment level for class 1-00 property under the Cook County Classification of Real Property Ordinance is applied. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant's attorney argued that the board of review submitted raw, unadjusted sale comparables. He also submitted the assessor records for the board of review's sale comparables.

At hearing, both parties rested on the evidence previously submitted.

After reviewing the record, hearing the testimony, and considering the evidence, the Property Tax Appeal Board (the "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. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of

Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 86 Ill. Admin. Code § 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code. § 1910.65(c). "[A] contemporaneous sale between parties dealing at arm's length is not only relevant to the question of fair cash market value, [citations] but would be practically conclusive on the issue of whether an assessment was at full value." People ex rel. Korzen v. Belt Ry. Co. of Chi., 37 Ill. 2d 158, 161 (1967). Having considered the evidence presented, the Board finds that a reduction is not warranted.

In determining the fair market value of the subject property, the Board finds the best evidence of market value to be the sale of the subject in April 2006. This sale occurred only eight months prior to the January 1, 2007 valuation date. Additionally, the appraiser discounted this sale yet provided no testimony or supporting evidence to undermine the arm's-length nature of this transaction. The undisputed evidence indicates that the subject parcel, along with one additional vacant parcel of land, was purchased in April 2006 for \$1,880,000. Therefore, the Board finds that the subject's sale is closely related in time and should be considered in properly determining the subject's market value. For these reasons, the Board finds that a reduction is not 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

*Frank J. Huff*

Member

*Mark Morris*

Member

*JR*

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: May 24, 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.