



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

APPELLANT: Quality Truck & Trailer Repair  
DOCKET NO.: 07-25349.001-I-2 through 07-25349.004-I-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Quality Truck & Trailer Repair, the appellant, by attorney Christopher Mullen in Chicago, and the Cook County Board of Review by assistant state's attorney Joel Buikema with the Cook County State's Attorneys office in Chicago.

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:

<b>DOCKET NO</b>	<b>PARCEL NUMBER</b>	<b>LAND</b>	<b>IMPRVMT</b>	<b>TOTAL</b>
07-25349.001-I-2	16-36-200-030-0000	704	0	\$704
07-25349.002-I-2	16-36-200-032-0000	4,159	1,486	\$5,645
07-25349.003-I-2	16-36-200-034-0000	1,968	702	\$2,670
07-25349.004-I-2	16-36-200-039-0000	518,683	8,097	\$526,780

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of four land parcels comprising 370,924 square feet or 8.50 acres of land used as parking for trucks and trailers. The property includes approximately 325,000 square feet of crushed stone and 441 lineal feet of fencing.

At the hearing's commencement, the board of review moved for Exclusion of Witnesses. Upon due consideration of the parties' positions, the Motion to Exclude Witnesses was granted.

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

In support of the market value argument, the appellant submitted documentation of the subject's sale in January of 2007. A copy of the subject's escrow trust disbursement statement, identified in the pleadings as Exhibit #1, reflects that the subject was purchased on January 17, 2007 for a price of \$968,240. The statement reflects various fees paid upon the sale including attorney fees, closing fees, as well as a fee to Louis Weinstock for demolition totaling \$36,000 and to Gabriel Environmental Services totaling \$24,000. In addition, the appellant's pleadings included a copy of the real estate sales contract, identified as Exhibit #2, reflecting a purchase price of \$975,000 for the subject. Further, the pleadings identified that: the sale was not a transfer between related parties; the property was not advertised for sale on the open market, but sold by the owner; and that the sale was in settlement of a contract for deed.

At hearing, the appellant's first witness was Stan Lazar, who was identified as the buyer's attorney for the January, 2007 purchase of the subject. He stated that he has been a certified public accountant since 1985 and a licensed attorney since 1989 with a concentration in real estate. He testified that the purchaser elected to bifurcate the sale for two tenants-in-common, Joseph and John Czupta, each with 50% undivided interest in the property. He stated that the sale price was \$975,000 with an agreement that the buyer would also pay the costs of remediation for environmental contamination of \$94,000 resulting in a total consideration of \$1,069,000. He also testified that the seller was a group of investors from Israel who wanted to sell the investment property after a fire in the subject's improvement wherein the roof had caved in and the City of Chicago brought suit against the seller to remediate the contamination. As to his personal knowledge, he indicated that he believed the property was listed for sale, but had no knowledge of where it was advertised or whether it was on any multiple listing service. He stated that he assumed it had been on the open market and that he just relied on the seller's attorney's statements. He indicated that "the investors allegedly wanted to unload the property rather than deal with the environmental problems". In addition, he stated that he had no personal knowledge of whether there had been a structure on the premises for he once again relied upon the statements of the seller's attorney. He testified that the seller's agent, Adam

Jakofsky, he believed to be the real estate agent that listed the property for sale. However, later in his testimony, Lazar testified that he had never had any dealings with this agent, but only conducted sale negotiations with the seller's attorneys.

Under cross-examination, he testified that Appellant's Exhibit #1, the disbursement statement, indicated a repayment of a loan which he identified as being repayment of a loan for unpaid real estate taxes. He also stated that he had no personal knowledge of either how long the taxes had been unpaid or what type of demolition work, if any, had been undertaken at the property. As to Appellant's Exhibit #2, the sales contract, he stated that there is no reference to the loan or its \$111,000 repayment, which he stated was dealt within in a separate transaction. Moreover, he indicated that no other related items were absent from the sales contract. He also testified that as of the date of the sales contract that the City of Chicago's environmental complaint against the owners of the subject property still existed. Specifically, an additional provision included on page 4 of the sales contract which Lazar stated that he had handwritten on the contract, as follows:

This contract is contingent upon the seller obtaining a dismissal of the complaint filed by the City of Chicago on October 3, 2001, covering the subject site whereby the costs incurred to remedy the environmental conditions to the City of Chicago satisfaction in order to comply with such dismissal shall not exceed \$400,000 to which the purchaser will incur.

Lazar testified that he did not know whether this outstanding complaint by the City would be considered a sale under duress. However, he stated that a person who does not have knowledge of contamination and how to deal with it would not want to deal with the issue of environmental contamination. In addition, he stated that there might be a discount placed on a property with such concerns. As to remediation costs reflected on the disbursement statement, Lazar testified that the only remediation cost reflected there was the Gabriel payment of \$24,000. As to the Weinstock demolition cost of \$36,000, Lazar testified that he had no knowledge of any demolition; therefore, he believed this to be a lien on the property.

Under examination by the Board, Lazar testified that his law practice relates to the sale and purchase of real estate, but that he does not have any degrees in assessing or appraising

real property. As to the subject, he stated that he had no knowledge of whether the subject property was on a state or federal environmental clean-up list. As to the responsibility for the cleanup, he merely stated that it was the responsibility of the owner. He also stated that to his personal knowledge the contamination was on-site; however, he had no knowledge as to the percentage of the subject affected by the alleged contamination.

The second witness called to testify was Joseph Czupta, who stated that he is also known as Chris Czupta. He testified that his trucking business had been a tenant at the subject property since approximately 2005 and that his business consists of the repair and storage for trucks and trailers. He stated that he had never met the owners, but always dealt with the managing agent, John. He testified that the purchase was a cash transaction for \$975,000 plus the cost of the environmental cleanup of \$94,000 totaling approximately \$1,069,000 for the property. He indicated that he did not give the seller any other funds or concessions for the sale transaction. He also stated that as of his usage of the subject that there was no building located thereon since 2005 with the only site improvement being gravel. He said that he looked at purchasing other properties, but decided to purchase the subject because they were already there.

Under cross-examination, Czupta stated that he began leasing the subject property in approximately 2004 or 2005, but that he was unsure. He explained that the property was not in good shape and that there was no building on the subject when he began his lease. In addition, he testified that minor repairs are done on the trucks at the subject's location, but that major repairs are undertaken at a main shop elsewhere; therefore, the subject is basically used for storage. He indicated that he learned that the property was for sale by viewing a sign on the property and calling the managing agent regarding purchasing the property. He also indicated that he knew about the subject's contamination prior to leasing the property and that he hired Gabriel Environmental Services to complete a report. Czupta said that the report was not bad regarding the environmental testing. Moreover, he testified that approximately one year into his lease of the subject property he initiated conversations with the managing agent regarding purchasing the property. This testimony was further confirmed when Czupta said that he only saw a 'for lease' sign on the property and after leasing he spoke to the leaser's agent regarding purchasing the property. Moreover, he stated that this agent was the person he made his

monthly lease payments to or called when he had any problems with the subject during the lease.

As to the loan of \$111,000, Czupta testified that he made the loan to the seller prior to the closing and that "this loan was part of the deal, the purchase price". However, he also stated that he had no documents relating to this loan, but that his attorney, Lazar, should have them. Further, he testified that the contamination did not affect the usage of the subject property. He also indicated that he was personally unaware of whether there were varying options available for the environmental cleanup, but that the cleanup was completed prior to the purchase and during the duration of his lease.

At hearing, this witness was asked a series of questions regarding Board of Review's Hearing Exhibit #1, which was an aerial photograph of the subject taken by the county assessor's office. Czupta was initially asked to highlight the area that was leased during 2007, which he did.

Under re-direct examination, Czupta testified that he did not know whether the buyer or the seller hired someone for the contamination clean up or whether it was both parties. Based upon this evidence and testimony, the appellant requested a reduction in assessment.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$535,799. The subject's assessment reflects a market value of \$1,489,575 or \$4.02 per square foot using the Cook County Ordinance level of assessment for class 1, vacant land of 22% for tax year 2007.

In addition, the board of review submitted copies of a trustee's deed dated January 16, 2007 for the subject property as well as a copy of the Illinois Real Estate Transfer Declaration for the subject indicating that the property was advertised for sale on the open market and that the property sold via a trustee's deed for a price of \$975,000. This document was signed by the buyer, J. Czupta.

Further in support of the subject's market value, raw sales data was submitted for 4 properties located in close proximity to the subject. 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 were identified as vacant land. They ranged in size from 5.03 to 5.86 acres of

land and sold in an unadjusted range from \$230,375 to \$688,388 per acre of land.

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 assistant state's attorney reiterated that the appellant's petition disclosed that this property was not advertised for sale. He asked that the Board take this point into consideration as well as take Judicial Notice of case law, a courtesy copy of which was submitted into evidence.

After considering the arguments and testimony as well as 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 not met this burden and that a reduction is not warranted.

In determining the fair market value of the subject property, the Board thoroughly considered the parties' evidence and finds that the appellant's argument is unsupported and unpersuasive.

The Board finds that the subject sold in January, 2007 for a value at closing which does not solely reflect the real estate's market value. The Board finds that the closing transaction for the subject's purchase included extraneous fees that do not reflect a real estate value as well as credits for loans made

between the parties that do not relate to the real estate value, but relate to the real estate taxes.

Specifically, the Board finds that there are contradictory sale prices reflected in the appellant's pleadings. Appellant's Exhibit #1, the subject's escrow disbursement statement, indicated that the sale price was \$968,240, while Appellant's Exhibit #2, the sales contract, stated that the sales price was \$970,000.

As to the disbursement statement, the appellant testified that he could not recall which party was responsible for hiring the environmental service, only that the study and cleanup occurred prior to the subject's sale. There was no explanation as to why a fee for Gabriel Environmental Services for \$24,000 was included in the closing costs. In addition, there was an allocation to Weinstock for \$36,000. At hearing, the appellant's closing attorney testified that he had no personal knowledge of this allocation other than it was probably in settlement of a lien. Lastly, the disbursement statement allocated \$111,000 as repayment of a loan. At hearing, the appellant's closing attorney testified that this allocation was made because the appellant-leasee loaned this amount to the owner-leaser sometime prior to the purchase to pay real estate taxes. The Board finds that unsupported allocations for these three items to be unrelated to the subject's real estate value.

As to the sales contract, there is an ancillary handwritten provision added by the appellant's attorney at closing which indicated that the seller required the buyer to settle outstanding litigation with the City of Chicago relating to environmental contamination that was not to exceed \$400,000 prior to closing. Thereafter, both the appellant and his closing attorney testified that the cleanup amount totaled \$94,000. However, there was no documentation submitted into evidence reflecting this expenditure, when it occurred, the responsible party, and whether this was the only feasible cleanup option. Moreover, the appellant testified that the subject's usage was not impaired by any contamination. This testimony is also supported by the Board of Review's Hearing Exhibit #1 which displays trailer storage throughout the subject.

Further, the un rebutted evidence of the appellant reflects that the subject property was not advertised for sale on the open market as disclosed on the appellant's petition as well as pursuant to the appellant's own testimony. The appellant

testified that he saw a 'for lease' sign on the property as he was in ownership of other property in the area. He also testified that only after he entered into a lease with the owner's managing agent did he initiate discussion about purchasing the subject. Moreover, the appellant's attorney at closing who testified that his law practice is in the real estate had no personal knowledge of whether the subject had been advertised for sale or had been included in a multiple listing service. In addition, both witnesses testified that the seller's agent acted more as a managing agent than a real estate broker. Lastly, the appellant's closing attorney testified that "the owners wanted to unload the property rather than deal with the environmental problems". The attorney then evasively stated that he did not know whether this outstanding issue on the subject could be considered a sale under duress, but that a "discount could be placed on a property with such concerns".

The Board further finds that the board of review submitted raw unadjusted sales data to support the subject's valuation.

Therefore, the Board finds that the evidence supports the subject property's current market value for tax year 2007. Therefore, the Board finds that no 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.



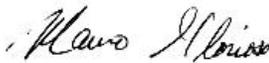
Chairman



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: February 21, 2014



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.