



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

APPELLANT: Patricia Schoenberg  
DOCKET NO.: 07-26695.001-I-2 through 07-26695.003-I-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Patricia Schoenberg, the appellant(s), by attorney Howard W. Melton, of Howard W. Melton and Associates in Chicago; 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
07-26695.001-I-2	13-18-409-062-0000	75,027	454,389	\$529,416
07-26695.002-I-2	13-18-409-063-0000	85,242	90,805	\$176,047
07-26695.003-I-2	13-18-409-075-0000	73,939	116,598	\$190,537

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of three parcels of land totaling 225,205 square feet and improved with a six-year old, one-story, concrete, industrial warehouse building containing 70,180 square feet of building area. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Matthew T. Kang and Gary T. Peterson of Peterson Appraisal Group, Ltd. The report indicates Kang and Peterson are State of Illinois certified general appraisers and Peterson holds the MAI designation. The appraisers indicated the subject has an estimated market value of \$5,600,000 as of January 1, 2006. The appraisal report utilized the three traditional approaches to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use is its continued use.

Under the cost approach to value, the appraiser analyzed the sales of six properties to arrive at an estimate the value for the land at \$9.75.00 per square foot or \$2,195,000, rounded. The replacement cost new was utilized to determine a cost for the improvement at \$4,410,892. The age/life method was used to depreciate the improvement by 22% for a value of \$970,396. The land was added back in to establish a value under the cost approach of \$5,635,000, rounded.

In the income approach to value, the appraisers analyzed the rents of seven properties to estimate potential gross income at \$11.00 per square foot or \$770,000. Vacancy and collection were estimated at 7% for an effective gross income of \$716,100. Expenses were estimated to be \$68,775 based on an analysis of the subject's market to arrive at a net operating income of \$647,325. The appraisers analyzed surveys and used the band of investment method to determine the capitalization rate of 9%. This rate was then loaded to 11.93% to estimate a value under the income approach of \$5,425,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of five one-story, masonry, concrete or masonry and concrete, industrial buildings located within the subject's market. The properties range in age from two to 19 years and in size from 55,000 to 179,164 square feet of building area. The comparables sold from December 2003 to November 2005 for prices ranging from \$3,300,000 to \$9,490,000, or from \$52.97 to \$85.35 per square foot of building area, including land. Several of these sales are paired sales in which the appraiser was able to analyze a prior sale as well. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$80.00 per square foot of building area or \$5,600,000, rounded.

In reconciling the three approaches to value, the appraisal gave primary consideration to the sales comparison approach, secondary consideration to the income approach, and least weight to the cost approach to arrive at a final estimate of value for the subject as of January 1, 2006 of \$5,600,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$1,069,739 was disclosed. The subject's final assessment reflects a fair market value of \$6,239,299 or \$88.90 per square foot of building area when the Cook County Real Property Assessment Classification Ordinance levels of assessment of 16% for Class 6b property and 22% for Class 1 property were applied. The board also submitted raw sales information on six properties suggested as comparable. The properties sold from July 2005 to April 2008 for prices ranging from \$5,200,000 to \$10,451,000 or from \$37.50 to \$84.65 per square foot of building area, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant argued that parcel 13-18-409-075-0000 (Lot 1) was incorrectly classified by the county as a vacant lot, Class 1-00. In support of this the appellant presented Appellant's Exhibits #2 and #3, a copy of an affidavit from a land surveyor and a copy of the plat of survey for the subject property, respectively. The appellant's attorney asserted that these documents were previously submitted to the PTAB at the time the evidence was filed. The PTAB did not have these items in the file. However, the board of review indicated they received these items from the PTAB. As the PTAB is the clearinghouse for the submission of evidence, the PTAB found these items were submitted, but a copy was not retained by the PTAB when the evidence was sent to the board of review and, therefore, the exhibits were accepted into evidence.

The affidavit from the land surveyor attests that he performed the survey of the subject and found that 3,878 square feet of building was located on Lot 1 along with a concrete patio, asphalt and parking, and two concrete transformer pads. The plat of survey shows that the improvement is located on all three parcels with a small portion on Lot 1.

The board of review's attorney asserted that the appellant has not proven that an incentive would apply to Lot 1. In addition, he asserted that without the appraiser, no weight should be given to the appraisal.

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 Board further finds a reduction in the subject's assessment is warranted.

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, 331 Ill.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 PTAB concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraisers utilized the three traditional approaches to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraisers: have experience in appraising; personally inspected the subject property and reviewed the property's history; estimated a highest and best use for the subject property; utilized appropriate market data in undertaking the 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 PTAB gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made. Moreover, these suggested comparables all have market values per square foot below the subject's.

As to the appellant's argument that parcel 13-18-409-075-0000 is not a vacant parcel and should be assessed the same as the remaining parcels, the PTAB finds the appellant has submitted sufficient evidence to support this claim. The evidence shows this parcel is not vacant, but has a small portion of the building. The evidence also shows this building is classified as 6b. Therefore, the PTAB finds that the portion of the improvement located on this parcel should be assessed similarly. The PTAB further finds that, because the parcel is not vacant, the land should not be assessed as vacant land. The land should be assessed similarly to the land that the remaining portion of the improvement is located on.

Therefore, the PTAB finds that the subject property had a market value of \$5,600,000 for the 2007 assessment year. Since the market value of the subject has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment of 16% for Class 6b property will apply. In applying this level of assessment to the subject, the total assessed value is \$896,000 while the subject's current total assessed value is above this amount. Therefore, the PTAB 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.



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 24, 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.