FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: A.J. Daw Printing Ink Company
DOCKET NO.: 07-26794.001-I-1
PARCEL NO.: 18-09-416-023-0000

The parties of record before the Property Tax Appeal Board are A.J. Daw Printing Ink Company, the appellant(s), by attorney Dennis M. Nolan, of Dennis M. Nolan, P.C. in Bartlett; 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:	$49,438
IMPR.:	$130,562
TOTAL:	$180,000

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 45,776 square feet of land improved with a 36-year old, one-story industrial building containing 23,825 square feet of gross building area. 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's pleadings included a summary appraisal of the subject property with an effective date of January 1, 2005 undertaken by Brian J. Duniec, a general certified appraiser and Terrence M. O'Brien who holds an MAI designation and is a certified general real estate appraiser. The appraisers estimated a market value for the subject of $500,000.

The appraisal indicated that the building contains 1,825 square feet of finished office area. The appraiser indicated that the subject's highest and best use as vacant and improved is for its current use.

The appraisers developed all of the three traditional approaches to value. The appraisers developed the sales comparison, income capitalization, and cost approaches to value.

Under this sales comparison approach to value, the appraiser utilized five sale comparables. These comparables sold from November 2002 through May 2005, for prices that ranged from $275,000 to $1,124,000 or from $18.68 to $22.48 per square foot. The properties were zoned for industrial/warehouse usage. The properties ranged in building size from 14,725 to 50,000 square feet of building area. After making adjustments to the suggested comparables, the appraisers estimated that the subject's market value was $21.00 per square foot or $500,000 rounded, as of the January 1, 2005.

Under the income approach, the appraisers reviewed market conditions and estimated the subject's potential net operating income at $1.85 per square foot or $44,076.

The appraiser noted an overall capitalization rate for the subject based upon its size, condition and location of 9.2%. Applying the overall capitalization rate of 9.2% to the net operating income resulted in a final value under the income approach of $480,000, rounded.

Lastly, under the cost approach, the appraiser analyzed five land sales to estimate the value of the land at $4.00 per square foot or $185,000, rounded. The replacement cost new method was utilized to determine a cost for the improvement at $1,475,000. The appraiser depreciated the improvement for physical deterioration, functional obsolescence, and external obsolescence by $1,170,000 for a value of $305,000. Adding additional on-site improvements of $15,000 and land value of 185,000 resulted in a market value estimate under this approach of $505,000, rounded.

The appellant's appraisers indicated the most weight was accorded to the sales comparison approach to value in reconciling a final value estimate of $500,000. Based upon this data, the appellant requested a reduction in the subject's market value.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was $231,595 for the tax year 2007. The subject's assessment reflects a market value of $643,318 or $27.00 per square foot using the Cook County Ordinance Level of Assessment for Class 5, industrial property of 36%.

In support of the subject's market value, raw sales data was submitted for five industrial and industrial/warehouse properties. 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 from January 2001, to February 2007, in an unadjusted range from $35.00 to $133.75 per square foot of building area. The properties contained buildings that ranged in size from 4,000 to 27,000 square feet and in age from 5 to 61 years. In addition, the board of review submitted a list of 20 sales including the PIN,

deed number, sale date, and amount of each sale. The properties sold from February 1990 to April 2004 for prices that ranged from $179,462 to $2,370,000. As a result of its analysis, the board requested confirmation of the subject's assessment.

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, 331 Ill.App.3d 1038 (3d Dist. 2002; Winnbago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d (2d 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 evidence indicates a reduction in the subject's assessment is warranted.

In determining the fair market value of the subject property, the Board accorded diminished weight to the properties submitted by the board of review as the evidence provided unconfirmed, raw data on sales.

Further, as to the subject's market value, the Board finds that the appellant's appraiser utilized all three traditional approaches to value in developing the subject's market value, The Board also finds this appraisal to be persuasive for the appraisers: have extensive experience in appraising and assessing property; personally inspected the subject property; estimated a highest and best use for the property; and utilized 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.

Therefore, the Board finds that the subject property contained a market value of $500,000 for the tax year 2007. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5, industrial property of 36% will apply. In applying this level of assessment to the subject, the total assessed value is $180,000, while the subject's current total assessed value is above this amount at $231,595. 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.

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 22, 2013

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.