



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

APPELLANT: Mark Clausius
DOCKET NO.: 07-26829.001-I-1
PARCEL NO.: 19-11-117-014-0000

The parties of record before the Property Tax Appeal Board are Mark Clausius, the appellant, by attorney Howard W. Melton of Howard W. Melton and Associates, 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: \$56,450
IMPR: \$99,966
TOTAL: \$156,416

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a one-story masonry constructed industrial building with 38,143 square feet of building area. The subject has a slab foundation, brick walls, office space, a mezzanine area used as industrial work space and six overhead dock doors. The building was constructed in 1965. The subject has a 69,692 square foot site resulting in a land to building ratio of 1.83:1. The property is classified as a class 5-93 industrial building under the Cook County Real Property Assessment Classification Ordinance (Ordinance) and is to be assessed at 36% of market value. The property is located in Chicago, Lake Township, Cook County.

The appellant contends overvaluation as the basis of the appeal. In support of the market value argument the appellant submitted a summary appraisal report prepared by James A. Matthews, a Certified General Real Estate Appraiser, and Jennifer C. Soto a licensed real estate appraiser. The appellant's appraisers estimated the subject property had a market value of \$380,000 as of January 1, 2006.

The appraisers explained the property rights appraised were the fee simple title ownership assuming no liens or encumbrances.

The appraisers also determined the highest and best use of the site as vacant would be to develop for commercial use while the highest and best use as improved was determined to be to maintain the current improvements.

In estimating the market value of the subject property the appraisers developed the sales comparison approach using five comparable sales. The comparables were composed of industrial buildings ranging in size from 23,900 to 53,000 square feet of building area. The buildings were constructed from 1914 to 1958 and had land to building ratios ranging from .64:1 to 1.34:1. The sales occurred from February 2001 to April 2005 for prices ranging from \$205,000 to \$475,000 or from \$6.78 to \$10.37 per square foot of building area, including land. The appraisal states that no adjustments were made for financing; all sales were adjusted upward for time; sales #1, #4 and #5 were adjusted for size; and all sales were adjusted for land to building ratio. The grid analysis on page 24 of the appellant's appraisal outlining the sales did not indicate a dollar amount or the qualitative adjustments (positive or negative), other than for time, made by the appraisers for these factors or the resulting adjusted values attributed to each comparable. The report summarily stated that after the adjustments the data indicates a range of \$10.00 to \$11.00 per square foot. The appraisers selected \$10.00 per square foot of building area and estimated the subject property had a market value of \$380,000, rounded.

Based on this record the appellant requested the subject's assessment be reduced to \$136,800 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$156,416 was disclosed. The subject's assessment reflects a market value of \$434,489 or \$11.39 per square foot of building area, including land, when applying the Ordinance level of assessment for industrial property of 36%.

In support of the assessment the board of review provided information on seven comparable sales improved with industrial buildings that ranged in size from 30,038 to 44,600 square feet of building area. The information indicated the comparables were constructed from 1925 to 1964. Comparable #1 was described as a three-story building. The remaining comparables were one-story buildings that had ceiling heights ranging from 14 to 27 feet and office space ranging from 7% to 10% of building area. These properties had sites ranging in size from 14,375 to 93,693 square feet of land area resulting in land to building ratios ranging from .41:1 to 2.77:1. The sales occurred from April 2003 to September 2008 for prices ranging from \$268,000 to \$2,100,000 or from \$7.72 to \$55.03 per square foot of building area, including land. The information provided by the board of review disclosed that comparable #1 was damaged by fire and the sale was not at fair market value because the price was discounted due to the fire damage. Sale #3 was reported to have had improvements in bad condition and the buyer had plans to raze the buildings to

construct a gas station on the site. The record also disclosed that there was a previous sale of comparable #4 in September 2005 for a price of \$1,280,000 or \$36.57 per square foot of building area. Additionally, comparable sales #5 and #6 were the same property that had sold in May 2005 and November 2007, respectively. This same property was reported to have also sold in April 2004 for a price of \$2,200,000 or \$57.65 per square foot of building area, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

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 the appeal. The Board further finds the evidence in the record does not support a reduction in the subject's assessment.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the sales data in the record does not support a reduction in the subject's assessment.

Initially, the Board finds the subject's assessment of \$156,416 reflects a market value of \$434,489 or \$11.39 per square foot of building area, including land, when applying the Ordinance level of assessment for industrial property of 36%. A review of the appellant's appraisal disclosed the appraisers' adjusted sales data indicated a range of \$10.00 to \$11.00 per square foot, which is fairly close to the square foot value reflected by the assessment. Second, the Property Tax Appeal Board finds the board of review submitted raw sales data on seven comparables. The Board gives no weight to board of review comparable sale #1 due to its three-story design and the fact it was damaged by fire and the price was discounted to account for the damage. The Board also gives no weight to board of review comparable sale #3 because it was reported to have been bad condition and the buyer was reported to have plans to raze the buildings to construct a gas station. The remaining comparables were relatively similar to the subject in size, age and land to building ratio. These sales occurred more proximate in time to the assessment date at issue than four of the five sales used by the appellant's appraisers. The five remaining board of review comparable properties (#2 and #4 through #7) sold for unit prices ranging from \$25.15 to \$55.03 per square foot of building area, including land. Additionally, the record disclosed comparable #4 had a previous sale in September 2005 for a price of \$36.57 per square foot of building area and comparables #5 and #6 (which are the same property) had sold in April 2004 for a price of \$57.65 per square foot of building area. Each of these reported sales

prices is above the subject's square foot fair cash value as reflected by the assessment. Based on this record, after considering the appellant's appraisal and the sales data provided by the board of review, the Property Tax Appeal Board finds the subject's assessment is reflective of the property's market value and a reduction in the assessment is not justified.

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

Member

Mario M. Louie

Shawn R. Lerbis

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: September 23, 2011

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.