



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

APPELLANT: Contracting & Material Company
DOCKET NO.: 07-27654.001-I-2 through 07-27654.015-I-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Contracting & Material Company, the appellant(s), by attorney Liat R. Meisler, of Golan & Christie LLP in Chicago; 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-27654.001-I-2	16-16-301-009-0000	4,013	331	\$4,344
07-27654.002-I-2	16-16-301-017-0000	5,890	1,946	\$7,836
07-27654.003-I-2	16-16-301-018-0000	6,662	6,671	\$13,333
07-27654.004-I-2	16-16-301-019-0000	5,329	2,009	\$7,338
07-27654.005-I-2	16-16-301-020-0000	5,329	2,009	\$7,338
07-27654.006-I-2	16-16-301-021-0000	5,329	2,009	\$7,338
07-27654.007-I-2	16-16-301-022-0000	3,682	80	\$3,762
07-27654.008-I-2	16-16-301-025-0000	642	38	\$680
07-27654.009-I-2	16-16-301-026-0000	605	14	\$619
07-27654.010-I-2	16-16-301-046-0000	4,038	245	\$4,283
07-27654.011-I-2	16-16-301-048-0000	29,086	7,046	\$36,132
07-27654.012-I-2	16-16-301-050-0000	53,717	2,188	\$55,905
07-27654.013-I-2	16-16-301-051-0000	27,867	1,889	\$29,756
07-27654.014-I-2	16-16-301-052-0000	35,039	10,185	\$45,224
07-27654.015-I-2	16-16-301-053-0000	27,938	1,859	\$29,797

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 15 parcels of land totaling 182,904 square feet and improved with three one and part two-story masonry constructed industrial buildings with a combined building area of 38,275 square feet and an effective age of 46 years. The appellant, through counsel, appeared before the Property Tax Appeal Board arguing that the fair market value of the subject is not accurately reflected in its assessed value.

In support of this argument, the appellant submitted a complete summary appraisal report (Appellant's Exhibit #1) with an effective date of January 1, 2006 and presented the testimony of the appraisal's author, Joseph M. Ryan of LaSalle Appraisal Group, Inc., Chicago. Mr. Ryan testified he has been employed by LaSalle Appraisal Group since 1991 and is the president of the company. He stated he is licensed in Illinois and Michigan as a general real estate appraiser and has the M.A.I. designation from the Appraisal Institute. Mr. Ryan testified he has appraised hundreds of properties similar to the subject and has been qualified as an expert witness before the circuit courts throughout Illinois, the City of Chicago, and the Property Tax Appeal Board. The PTAB accepted Mr. Ryan as an expert witness without objection from the remaining party.

Ryan testified he inspected the property for a previous appraisal in 2003 and drove by the property since that time, but did not do a re-inspection of the property for this appraisal. The witness described the subject property and its environs. Ryan testified that the subject contains three industrial buildings located on non contiguous parcels with a land to building ratio of 4.78 to 1. He opined that it was less than optimal to have three different structures as opposed to one structure which is more representative of the market. Ryan opined the subject's highest and best use to be industrial as vacant and improved.

To estimate a total market value for the subject of \$710,000 as of January 1, 2006, Ryan employed the sales comparison approach to value. Ryan testified that the cost approach was not applicable to the subject because market participants do not consider the cost approach in their investment decisions and that the income approach was not applicable because is owner occupied with no rental history or anticipated rental of the property.

To estimate a value for the subject under the sales comparison approach, Ryan testified he analyzed five sales of industrial properties in the West and Northwest Sides of the City of Chicago. Ryan testified he verified the sales my either talking to a market participant, broker, owner, lawyer or reviewing the transfer declaration.

The properties are described as one building, one or one and part two-story, masonry, single-tenant, industrial buildings. The comparables range: in building size from 21,600 to 55,000 square

feet of building area; in land to building ratios from .73:1 to 2.18:1; and in age from 35 to 91 years. The comparables sold from February 2004 to June 2005 for prices ranging from \$400,000 to \$1,025,000, or from \$18.52 to \$24.50 per square foot of building area, including land. Ryan testified to the adjustments made to each comparable and reconciled a unit price for the subject of \$18.50 per square foot of building area, including land or \$710,000, rounded.

Ryan testified the value for the subject on January 1, 2007 would not change.

Under cross examination, Ryan acknowledged that comparable #1 was located approximately five miles away and #5 was six miles away from the subject, but that no location adjustments were made. He testified that he made a location adjustment for comparable #2 which is located four and one-half miles away. Ryan also acknowledged that comparables #1, #2 and #5 were not located in the subject's neighborhood as defined in the appraisal.

On redirect, Ryan testified that he did not make location adjustments to several comparables because he analyzed the subject for industrial use and the comparables were zoned industrial and used for industrial purposes so he opined that the locations were somewhat similar. Ryan again testified that all the comparables required a downward adjustment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$385,785 was disclosed. This assessment reflects a fair market value of \$1,071,625 or \$28.00 per square foot of building area land included, when the Cook County Real Property Assessment Classification Ordinance level of assessments of 36% for Class 5B commercial property is applied. The board also submitted a memo, copies of the property characteristic printouts for the subject, and raw sales data on five properties. The sales occurred between May 2001 and April 2005 for prices ranging from \$355,000 to \$4,100,000 or from \$9.69 to \$95.35 per square foot. The memo states the documents are not intended as an appraisal or estimate of value and that the writer has not verified the information or sources and does not warrant its accuracy. The Based on this evidence, the board of review requested confirmation of the subject's assessment.

At the hearing, the board of review did not call any witnesses and rested its case upon its written evidence submissions.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds it has jurisdiction over the parties and the subject matter of this appeal. The issue before the Property Tax Appeal Board is the determination of the subject's market value for ad valorem tax purposes.

When market value is the basis of the appeal, the value of the subject property must be proved by a preponderance of the

evidence. Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 728 N.E.2d 1256 (2nd 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.Adm.Code §1910.65(c)).

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal and testimony. The appellant's appraiser utilized the sales comparison approach to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraiser: is an expert witness in property valuation; reviewed the property's history; used similar properties in the sales comparison approach; verified each sale; and provided 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 unadjusted raw sales data. In addition, the information provided was not verified and warranted for accuracy.

Therefore, the PTAB finds that the subject property had a market value of \$710,000 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 36% for Class 5B will apply. In applying this level of assessment to the subject, the total assessed value is \$255,600 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank J. Huff

Member

Mario Morris

Member

Shawn R. Lerbis

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 18, 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.