



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

APPELLANT: Canterbury Concepts
DOCKET NO.: 07-28432.001-I-1
PARCEL NO.: 03-08-103-006-0000

The parties of record before the Property Tax Appeal Board are Canterbury Concepts, the appellant(s), by attorney Larry C. Jurgens, of Sanchez, Daniels & Hoffman in 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: \$ 94,033
IMPR.: \$ 357,445
TOTAL: \$ 451,478

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 69,170 square feet of land that is improved with a 36 year old, one-story, masonry, two-unit, office warehouse building with 24,540 square feet of building area, of which 5,400 square feet is used as office space. The appellant, via counsel, argued that the subject's market value was not accurately reflected in its assessment.

In support of the market value argument, the appellant submitted an appraisal, which stated that the subject had an estimated market value of \$980,000 as of January 1, 2007, based on the cost approach to value, the income approach to value, and the sales comparison approach to value to estimate the market value for the subject property. The appraisal states that the appraiser personally inspected the subject, and that the subject's highest and best use as improved is its current use.

The appraiser also stated that the subject was sold in April 2005 for \$1,287,500. The appraisal includes a closing statement, which states that the purchase price of the subject was \$1,287,500 in April 2005. The closing statement also shows that \$23,760 worth of broker's fees were paid to two different brokerage firms. The appraiser did not explain in the appraisal how or if this recent sale factored into the appraiser's analysis

of the subject's market value. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The Cook County Board of Review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$451,478 was disclosed. The subject's final assessment yields a fair market value of \$1,254,106 when the 36% assessment level for class 5-93 property under the Cook County Classification of Real Property Ordinance is applied. In support of the subject's assessment, the board of review submitted a property characteristic printout for the subject, and raw sales data for five industrial warehouse properties located within three miles of the subject. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the assessor's office. However, the board of review included a memorandum which states that the submission of these comparables is not intended to be an appraisal or an estimate of value, and should not be construed as such. The memorandum further stated that the information provided was collected from various sources, and was assumed to be factual, accurate, and reliable; but that the information had not been verified, and that the board of review did not warrant its accuracy.

The suggested comparables contained one-story or two-story, masonry buildings that range in age from 19 to 35 years old, and in size from 17,667 to 27,200 square feet of building area. The properties sold from August 2003 to October 2008 in an unadjusted range from \$912,500 to \$2,560,000, or from \$47.79 to \$105.00 per square foot of building area, land included.

The board of review also included a warranty deed, which states that the subject was conveyed to the appellant in April 2005. The deed contains \$1,287.50 worth of State of Illinois Real Estate Transfer Tax Stamps. A printout from the Cook County Recorder of Deeds' website was also included, which shows that the subject was sold for \$1,287,500 in April 2005. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant's attorney, Larry Jurgens, reaffirmed the evidence previously submitted through testimony elicited from the appellant's appraiser, Jason D. Zaley, MAI. Mr. Zaley also testified that he excluded one-unit improvements and properties purchased by REITs in his analysis under the sales comparison approach to value. In addressing the April 2005 sale of the subject, Mr. Zaley testified that the transaction was not an arm's-length transaction because the property was not advertised for sale on the open market. When asked how he knew it was not advertised on the open market, Mr. Zaley answered that the brokers in the transaction had told him as such. The Cook County Board of Review Analyst, Jabari Jackson, reaffirmed the evidence previously submitted. In rebuttal, Mr. Jurgens argued that the sale dates in board of review Comparables #2 and #3 were too distant in time to accurately reflect the market as of January 1,

2007. Mr. Jurgens also argued that Comparable #5 is located in Lake County, and therefore, is not comparable to the subject because the property tax structures in Cook County and Lake County are not similar.

After reviewing the record, hearing the testimony, and considering the evidence, the Property Tax Appeal Board (the "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. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 86 Ill. Admin. Code § 1910.63(e). 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code. § 1910.65(c). "[A] contemporaneous sale between parties dealing at arm's length is not only relevant to the question of fair cash market value, [citations] but would be practically conclusive on the issue of whether an assessment was at full value." People ex rel. Korzen v. Belt Ry. Co. of Chi., 37 Ill. 2d 158, 161 (1967). Having considered the evidence presented, the Board finds that a reduction is not warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the sale of the subject in April 2005 for \$1,287,500. The Board finds that the appraiser's testimony at hearing regarding what the real estate brokers told him is hearsay evidence, and will not be considered by the Board. This was the only evidence offered which would have undermined the arm's-length nature of the recent sale of the subject, as the appellant did not submit any further evidence to support the claim that the April 2005 sale was not at market value. The warranty deed supports the sale price as it contains \$1,287.50 worth of State of Illinois Real Estate Transfer Tax Stamps. These taxes are equal to 0.10% of the sale price, excluding any personal property. 35 ILCS 200/31-10. \$1,287.50 divided by 0.10% equates to \$1,287,500, which is the purchase price found in the appraisal and the printout from the Cook County Recorder of Deeds' website. Finally, the sale is within 20 months of the 2007 lien date of January 1, 2007. The Board finds that the subject's sale is closely related in time, and should be considered in properly determining the subject's market value. For these reasons, the Board finds that a reduction is not 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

Frank J. Huff

Member

Mario Morris

Member

JR

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

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.