



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

APPELLANT: Simborg College 117-145
DOCKET NO.: 07-29340.001-C-1
PARCEL NO.: 29-16-205-120-0000

The parties of record before the Property Tax Appeal Board are Simborg College, the appellant, by attorney William I. Sandrick, of Sandrick Law Firm LLC in Calumet City; 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: \$ 35,128
IMPR.: \$ 145,085
TOTAL: \$ 180,213

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 78,063 square foot parcel of land improved with a 38-year old, one-story, masonry, multi-tenant, three-unit, industrial building with approximately 33,600 square feet of gross building area. There are five exterior, depressed bed-level loading docks with levelators on the front elevation, and there are seven 12' high drive-through doors on the northern, western, and southern elevations. The appraisal indicates that the subject is currently 66.67% occupied by two tenants, however, the color photographs on page 21 of the appraisal indicate that the vacant unit is currently used for storage purposes. The appellant, via counsel, 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 submitted an appraisal authored by Raymond R. Rogers of Rogers Appraisal Consultants, Inc., who is an Illinois Certified General Real Estate Appraiser and holds an MAI designation. Rogers personally inspected the interior and exterior of the subject property and

indicated the subject has an estimated market value of \$500,000 as of January 1, 2007. The appraisal report utilized two of the three traditional approaches to value, that is the income and sales comparison approaches, to estimate the market value for the subject property and finds the subject's highest and best use is its present use, pending cleaning, repairs and marketing.

Under the income approach to value, the appraiser estimated net operating income at \$113,537. The direct capitalization approach with actual market data derived overall capitalization rates was utilized to establish a loaded capitalization rate of 22.60% that yielded an estimate of value under the income approach of \$500,000, rounded. It should be noted that the appraiser estimated vacancy and collection loss at 22% and used an 11% cap rate due to the subject's location, weak market, and property condition.

Under the sales comparison approach, the appraiser analyzed the sales of eight one-story, industrial buildings located within the subject's market. The appraiser also acknowledged that two additional properties suggested as comparable were currently listed for sale. The properties contain between 38,000 and 135,558 square feet of building area. The comparables sold from January 2005 to May 2008 for prices ranging from \$500,000 to \$2,100,000, or from \$10.96 to \$24.08 per square foot of building area, including land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and differences of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$15.00 per square foot of building area, including land or \$500,000, rounded.

In reconciling the two approaches to value, the appraiser arrived at a final estimate of value for the subject as of January 1, 2007 of \$500,000.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$280,212. This assessment reflects a market value of \$778,367 using the level of assessment of 36% for Class 5b property as contained in the Cook County Real Property Assessment Classification Ordinance. The board also submitted raw sales information on a total of six comparables that sold between December 2002 and March 2009 for prices ranging from \$550,000 to \$1,000,000, or from \$19.23 to \$29.41 per square foot of building area, including land. No adjustments were made for location, size, age or amenities. In addition, the board of review submitted a map showing the location of the sales comparables in relation to the subject property. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, the board of review's representative, Lena Henderson, indicated that although the appraiser's comparables #2 and #8 are the same age as the subject, the appraiser made a downward adjustment in value, with no further explanation. Additionally,

he was not present to provide any testimony as to his reasoning. The appellant's attorney, William Sandrick, indicated that this downward adjustment also included an allowance for the condition and quality of the buildings as listed on the appraiser's chart on page 54 of the appraisal. Mr. Sandrick also indicated that the board's comparables #1 and #2 were 2002 and 2004 sales, which are too distant in time to consider for a 2007 valuation appeal.

After considering the evidence and reviewing the record, 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. 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). Having considered the evidence presented, the Board finds that a reduction is warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the income and sales comparison approaches to value in determining the subject's market value. The Board finds this appraisal to be persuasive for the appraiser: has 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 sales comparison approach 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 Board gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made for location, size, date of sale, age, land-to-building ratio, or other related factors.

Therefore, the Board finds that the subject property had a market value of \$500,000 for the 2007 assessment year. Since the market value of the subject has been established, the Cook County Real Property Classification Ordinance level of assessments for Cook County Class 5b property of 36% will apply. In applying this level of assessment to the subject, the Board finds that a reduction to the appellant's request of \$180,213 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

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 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.