



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

APPELLANT: 901 N. Kilpatrick, LLC
DOCKET NO.: 07-30153.001-I-1 through 07-30153.023-I-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are 901 N. Kilpatrick, LLC, the appellant, 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 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-30153.001-I-1	16-03-312-006-0000	4,092	0	\$4,092
07-30153.002-I-1	16-03-312-007-0000	8,184	0	\$8,184
07-30153.003-I-1	16-03-312-008-0000	5,859	561	\$6,420
07-30153.004-I-1	16-03-312-009-0000	5,859	841	\$6,700
07-30153.005-I-1	16-03-312-010-0000	4,092	0	\$4,092
07-30153.006-I-1	16-03-312-011-0000	4,092	0	\$4,092
07-30153.007-I-1	16-03-312-012-0000	4,092	0	\$4,092
07-30153.008-I-1	16-03-312-013-0000	4,092	0	\$4,092
07-30153.009-I-1	16-03-312-014-0000	4,092	0	\$4,092
07-30153.010-I-1	16-03-312-015-0000	4,092	0	\$4,092
07-30153.011-I-1	16-03-312-016-0000	4,092	0	\$4,092
07-30153.012-I-1	16-03-312-017-0000	5,859	1,842	\$7,701
07-30153.013-I-1	16-03-312-018-0000	5,859	1,842	\$7,701
07-30153.014-I-1	16-03-312-019-0000	5,859	2,040	\$7,899
07-30153.015-I-1	16-03-312-020-0000	5,859	1,102	\$6,961
07-30153.016-I-1	16-03-312-021-0000	6,917	2,178	\$9,095
07-30153.017-I-1	16-03-312-027-0000	4,092	0	\$4,092
07-30153.018-I-1	16-03-312-028-0000	4,092	0	\$4,092
07-30153.019-I-1	16-03-312-029-0000	4,092	0	\$4,092
07-30153.020-I-1	16-03-312-030-0000	4,092	0	\$4,092
07-30153.021-I-1	16-03-312-034-0000	77,304	11,295	\$88,599
07-30153.022-I-1	16-03-315-001-0000	108,591	333,135	\$441,726
07-30153.023-I-1	16-03-315-074-0000	58,567	118,886	\$177,453

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 339,208 square foot site improved with a one and part two story masonry industrial building that was built in 1937 with an addition in 1987. The subject building contains 219,265 square feet including 13,200 square feet of office space. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal by Ronald Aguirre and Susan Ulman of Zimmerman Appraisal group, Ltd. The report indicates Aguirre is a State of Illinois certified general appraiser and that Ulman is an MAI. The appraisers indicated the subject has an estimated market value of \$2,195,000 as of January 1, 2007. The appraisal report utilized the three traditional approaches to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use is its present use.

The appraisal indicates the subject sold twice in 2006: once in February for \$2,600,000 and once in June for \$3,565,000. The appraisal indicates, "The June, 2006 purchase does not reflect market value as the buyer was in negotiation to purchase another property, when another builder unexpectedly made a more lucrative offer, since their lease was ending, they were under undue pressure to find a place to move their equipment and operations." The appraisal did not include an explanation of the circumstances regarding the February 2006 sale.

Under the cost approach to value, the appraisers accepted the value of the land as established by the county assessor of \$1,007,106, or \$1,005,000 rounded. The replacement cost new was utilized to determine a cost for the improvement at \$11,170,276. The appraisal depreciated the improvement by 87% for a value of \$1,452,136. The land was added back in to establish a value under the cost approach of \$2,455,000, rounded.

In the income approach to value, the appraisers analyzed the subject's rent and market place rent to estimate a potential gross income of \$323,468. Expenses, which included vacancy and collection, were estimated at \$115,211 to arrive at a net operating income of \$208,257. A loaded capitalization rate of 9.583% was utilized to estimate a value under the income approach of \$2,175,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of five, one or two story masonry, industrial buildings. The properties range: in age from 65 to 107 years and in size from 115,318 to 262,000 square feet of building area. The comparables sold from April 2004 to October 2006 for prices that ranged from \$1,136,500 to \$2,100,000 or from \$6.11 to \$13.09 per square foot of building area, land included. The appraiser

adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach of \$10.00 per square foot of building area or \$2,195,000, rounded.

In reconciling the three approaches to value, the appraisal arrived at a final estimate of value for the subject as of January 1, 2007 of \$2,195,000. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$817,543 was disclosed. The subject's final assessment reflects a fair market value of \$2,372,219 or \$10.51 per square foot of building area when the Cook County Real Property Assessment Classification Ordinance for class 5b property of 36% and for class 1-00 of 22% is applied. In support of the subject's assessment, the board of review submitted a memorandum that indicates its evidence is assumed to be factual, accurate and reliable, but that the writer has not verified the information or sources and does not warrant the accuracy.

The board of review submitted print outs from the Recorder of Deeds Office regarding two 2006 sales transactions involving the subject property. The first document is a Special Warranty Deed that indicates the subject sold in February 2006 for \$2,600,000 or \$11.52 per square foot of building area. The second document is also a Special Warranty Deed that indicates the subject sold in June 2006 for \$3,565,000 or \$15.79 per square foot of building area. In addition, the board of review submitted CoStar print outs regarding each of the 2006 sales of the subject property.

The board of review also presented CoStar print outs regarding the sale of five suggested comparables located within the subject's market. The properties consist of industrial buildings that range in size from 44,741 to 204,263 square feet of building area. The comparables sold from August 2004 to October 2008 for prices ranging from \$1,485,000 to \$8,000,000 or from \$12.59 to \$39.17 per square foot of building area, including land.

After considering the evidence and 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 this appeal. The Board further finds no reduction in the subject's assessment is warranted.

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 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (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.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, 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 PTAB concludes that the evidence indicates no reduction is warranted.

The appellant's appraisal indicates that there were two sales of the subject property. The appraisers discussed the circumstances and discounted the sale of the subject in June 2006 for \$3,565,000; however, the appraisers did not discuss the circumstances surrounding the sale of the subject in February, 2006 for \$2,600,000. This sale occurred only eleven months prior to the January 1, 2007 valuation date. Therefore, 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. The Board finds that the appellant's appraisal should be given diminished weight as its credibility is called into question as the appraisers did not rely on the subject's 2006 sale nor did they discuss reasons why this sale should not be given weight, For these reasons, the Board finds that the appellant's appraisal did not overcome the burden of proving by a preponderance of the evidence that the subject is overvalued.

Therefore, the PTAB finds that no reduction in the subject's assessment 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 A. Huff

Member

Mario Morris

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: June 21, 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.