



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

APPELLANT: Toys "R" Us, Inc.
DOCKET NO.: 07-30841.001-C-1
PARCEL NO.: 27-10-300-030-0000

The parties of record before the Property Tax Appeal Board are Toys "R" Us, Inc., the appellant(s), by attorney Terrence J. Griffin, of Eugene L. Griffin & Associates, Ltd. 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:

LAND: \$869,197
IMPR.: \$180,798
TOTAL: \$1,049,995

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 217,844 square feet of land improved with a 21-year old, one-story, masonry constructed commercial retail building containing 44,338 square feet of building area. The appellant argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of the appeal.

In support of the market value argument, the appellant submitted an appraisal undertaken by John C. Mundie. The appraisal indicates that he is a State of Illinois certified general appraiser who holds an MAI designation. The appraiser indicated the subject has an estimated market value of \$2,400,000, as of January 1, 2002. The appraisal report utilized the sales comparison, income, and cost approaches to value to estimate the market value for the subject property.

Under this sales comparison approach to value, the appraiser utilized four sale comparables. These comparables sold from July 1999 through October 2000 for prices that ranged from \$510,000 to \$2,355,000 or from \$34.00 to \$54.81 per square foot. The properties ranged in building size from 15,000 to 44,870 square feet of building area. After making adjustments to the suggested comparables, the appraiser estimated that the subject's market value was \$55.00 per square foot or \$2,440,000 rounded.

Under the income approach, the appraiser analyzed one listing and three rental comparables and estimated the subject's net operating income at \$239,354.

The appraiser noted an overall capitalization rate for the subject based upon its size, condition and location of 10.25%. Applying the overall capitalization rate of 10.25% to the net operating income resulted in a final value under the income approach of \$2,335,000, rounded.

Lastly, under the cost approach, the appraiser analyzed four land sales to estimate the value of the land at \$10.00 per square foot or \$2,180,000, rounded. The reproduction cost was determined at \$2,427,337. The appraiser depreciated the improvement by 85% for a depreciated value of the improvement of \$364,101. Adding land value of \$2,180,000 resulted in a market value estimate under this approach of \$2,545,000, rounded.

The appellant's appraiser indicated that most weight was accorded to the sales comparison approach to value in reconciling a final value estimate of \$2,400,000, as of January 1, 2002. Based upon this data, the appellant requested a reduction in the subject's market value.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$1,111,993 for the tax year 2007. The subject's assessment reflects a market value of \$2,926,296 or \$66.00 per square foot using the Cook County Ordinance Level of Assessment for Class 5, commercial property of 38%.

In support of the subject's market value, raw sales data was submitted for six retail/general freestanding properties. The data from the CoStar Comps service sheets reflect that the research was licensed to the assessor's office, but failed to indicate that there was any verification of the information or sources of data. The properties sold from July 2007, to December 2009, in an unadjusted range from \$730,000 to \$6,726,780 or from \$34.12 to \$118.05 per square foot of building area. The properties contained buildings that ranged in size from 21,397 to 49,219 square feet. In addition, the board of review submitted a copy of the limited warranty deed with transfers stamps affixed as evidence of the sale of the subject in July 2005 for \$8,700,000 or \$196.22 per square foot of building area. The

evidence submitted indicates the sale may have involved a sales' lease back. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments and reviewing the evidence, 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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3d Dist. 2002; Winnbago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d (2d 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).

Having considered the evidence presented, the PTAB concludes that the evidence indicates a reduction in the subject's assessment is warranted.

The PTAB finds that the subject's market value per the appellant's appraisal is reflective of the market value of the improvement in 2002. No further evidence was submitted to substantiate that the appraisal's market value in 2002 is reflective of the market value in 2007. Furthermore, the year of the subject's appraisal is in a different assessment triennial than the 2007 tax year. Lastly, the comparables used in all the approaches included comparables that are too distant in time from the assessment date at issue, herein.

However, in determining the fair market value of the subject property, the PTAB finds that the board of review's comparables #2, #3, and #6 are most similar to the subject in size, business usage, and location. Due to their similarities to the subject, these comparables received the most weight in the PTAB's analysis. These comparables sold from April 2008 to December 2009 for prices ranging from \$730,000 to \$1,900,000 or \$20.95 to \$52.78 per square foot of building area, including land. In comparison, the subject's assessment reflects a market value of \$66.00 per square foot of building area. The subject's market value of \$66.00 per square foot of building area is above the range established by these comparables. After considering adjustments and the differences in both parties' comparables when compared to the subject, the Board finds a 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.

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: April 19, 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.