



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

APPELLANT: BeeZee Body Shop
DOCKET NO.: 08-21636.001-C-1 through 08-21636.006-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are BeeZee Body Shop, the appellant, by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
08-21636.001-C-1	10-25-316-025-0000	38,376	16,599	\$54,975
08-21636.002-C-1	10-25-316-026-0000	9,311	1,483	\$10,794
08-21636.003-C-1	10-25-316-027-0000	18,206	458	\$18,664
08-21636.004-C-1	10-26-401-080-0000	36,516	85,571	\$122,087
08-21636.005-C-1	10-26-401-081-0000	19,442	3,788	\$23,230
08-21636.006-C-1	10-26-401-082-0000	19,033	113	\$19,146

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property contains 43,712 square feet of land improved with a 45-year old, one-story, masonry, light industrial building. The improvement contains 21,875 square feet of building area and is used as an automotive repair shop. The appellant argued that the market value of the subject property was not accurately reflected in its assessed value as the bases of this appeal.

In support of the market value argument, the appellant, via counsel, submitted an appraisal as well as an update letter undertaken by Ronald Wozniak and George Stamas of Meridian Appraisal & Consulting Group. The appraisal report states that Wozniak and Stamas hold the designation of certified general real estate appraiser. The appraisers stated that the subject had an estimated market value of \$515,000 as of June 30, 2006, while the update letter reflects the same market value of \$515,000 as of

January 1, 2007. As to the history of the subject property, the appraisal stated that the subject was constructed in 1961 and 1964. The appraisers reported that there was a 2002 addition with 253 square feet and that another portion of the building was part of a sale leaseback in March, 2000, with the previous owner of the building being the tenant, which was leased. They also reported that the remainder of the subject is primarily owner-occupied with another small portion of the front office area leased as well. Therefore, the appraisers indicated that they choose to exclude the leased areas from their analysis while appraising only the owner-occupied, single-user portion of the property. Thereby, they appraised only 18,804 square feet of building area from the total building area of 21,875 square feet.

The appraisal report utilized all three of the traditional approaches to value to estimate the market value for the subject property. In addition, the appraisal report states that the subject property was inspected on June 30, 2006, which is also the effective date of this appraisal without further elaboration.

As to the subject's highest and best use, as vacant, the appraisers opined that light-industrial or service type development was best, while the subject's highest and best use, as improved, was its present use.

Moreover, the appraisal reflected that the subject was improved with a one-story, masonry, commercial building used as an automotive repair facility with average condition or functional utility.

Under the cost approach, the appraisers used five sales of improved properties while extracting the land value therefrom. The properties sold from February, 2003, through November, 2005, for prices that ranged from \$3.19 to \$6.93 per square foot. The properties ranged in land size from 60,600 to 323,628 square feet. The appraisers estimated a land value for the subject of \$6.00 per square foot or \$260,000, rounded. Using the Marshall Valuation Service, the appraisers estimated a replacement cost new for the subject of \$789,500 based upon 18,804 square feet of building area and including on-site improvements. Less total depreciation from all sources estimated at 65% while adding the land value resulted in a market value estimate under this approach of \$535,000, rounded.

Under the income approach, the appraisers referred to five rental properties ranging in rental area from 13,000 to 20,000 square feet with gross rent ranging from \$5.17 to \$8.00 per square foot of building area. The appraisers estimated potential gross income of \$6.00 per square foot based upon 18,804 square feet or \$112,824. Less 7% for vacancy and collection loss and expenses resulted in projected net income of \$80,057. Capitalizing this net income by 15.88% resulted in a value estimate of \$505,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of five suggested comparables, none of which are located in Skokie, as is the subject property. They are each improved with an one-story, masonry, industrial building. They range in age from 34 to 56 years and in improvement size from 14,080 to 30,000 square feet of building area. These suggested comparables sold from August, 2003, to April, 2005, for prices that ranged from \$18.46 to \$30.82 per square foot of building area, including land. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach to value of \$27.50 per square foot based upon 18,804 square feet or \$515,000, rounded. In reconciliation, the appraisers placed most emphasis on the sales comparison approach to value resulting in a value of \$515,000. 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 \$248,896 was disclosed. The subject's final assessment yields a fair market value of \$654,898 or \$29.94 per square foot employing 21,875 square feet of building area and when the Cook County Ordinance Level of Assessment for commercial properties of 38% is applied.

As to the subject, the board's analysis stated that the subject contains 21,875 square feet of building area while including copies of the subject's property record cards supporting this assertion.

In support of the subject's market value, the board of review presented descriptive and sales data on nine properties suggested as comparable to the subject. These properties are described as one-story, retail/auto repair facilities located in neighboring suburbs to the subject. They range in age from 13 to 89 years and in improvement size from 8,360 to 21,300 square feet of building area. The properties sold from March, 2001, to April, 2007, for unadjusted prices ranging from \$27.37 to \$206.34 per square foot of building area. Four of the nine properties were leased fee sales.

The board's cover memorandum also stated that this analysis was not intended to be an appraisal or estimate of value and that the data reflected therein was collected from multiple sources which were not verified, but assumed to be reliable. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After reviewing the record 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. After submission of the parties' evidence, the appellant waived the right to hearing.

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 the evidence indicates reduction is not warranted.

In determining the fair market value of the subject property, the Board finds unpersuasive the appellant's appraisal. The appraiser failed to provide a market value estimate for the "as is" subject property as of the assessment date at issue. Instead, the appraisers summarily eliminated approximately 3,000 square feet of leased building area located within the subject property without accounting for this space in the appraisal or separately valuing said space in the appraisal. Therefore, all three approaches to value are tainted by this flawed methodology.

However, the courts have stated that where there is credible evidence of comparables sales, these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App. 3d 207 (2nd Dist. 1979). The Court further held that significant relevance should not be placed on the cost approach or the income approach especially when there is market data available. Id. Moreover, in Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989), the Court held that of the three primary methods of evaluating property for purposes of real estate taxes, the preferred method is the sales comparison approach. Therefore, the Board will also accord the sales data provided by the parties in this appeal.

The Board finds that both parties submitted sales data on a total of 14 sales. The Board accords no weight to the appellant's sales due to a variance in highest and best use. These properties were identified as light industrial facilities. In contrast, the Board finds that the board of review submitted 9 sales of one-story, masonry, auto repair facilities, such as the subject, which are located in suburbs neighboring the subject property. They ranged in unadjusted prices from \$27.37 to \$206.34 per square foot. In comparison, the subject's total assessment reflects a market value of \$29.94 per square foot based upon the total building area of 21,875 square feet, which is at the low end of the established range. After making adjustments to these suggested comparables, the Board finds that the subject's market value is supported and 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.



Chairman



Member



Member



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: July 19, 2013



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.