



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

APPELLANT: Bryan Barus
DOCKET NO.: 08-25889.001-I-3 through 08-25889.002-I-3
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Bryan Barus, the appellant(s), by attorney Michael Elliott, of Elliott & Associates, P.C. in Des Plaines; the Cook County Board of Review by Cook County Assistant Ste Attorney John Coyne; and Township High School Dist. 214, the intervenor, by attorney Scott Metcalf of Franczek Radelet P.C. in Chicago.

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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
08-25889.001-I-3	03-14-405-041-0000	131,292	502,047	\$633,339
08-25889.002-I-3	03-14-405-042-0000	1,357	10,134	\$11,491

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of nine parcels of land totaling 29,916 square feet and improved with a 47-year old, one-story, masonry, commercial building. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value and unequal treatment in the assessment process as the bases of the appeal.

In support of the equity argument, the appellant submitted descriptions and assessment information on a total of four properties suggested as comparable and located on the subject's street within several blocks of the subject. The properties are described as industrial buildings. The properties range: in age from 23 to 28 years; in size from 50,537 to 94,866 square feet of building area; and in improvement assessments from \$5.20 to \$8.93 per square foot of building area.

At hearing, the appellant testified that he is a commercial real estate broker, manager and investor/owner. Mr. Barus testified he is one of three owners of the subject property. He stated he has been inside the subject and is familiar with the subject's neighborhood. Mr. Barus described the subject property as an approximately 27 year old, single-story, multi-tenant, industrial building. He stated the property is located in an industrial development and the street the subject is located on is comprised of buildings that are very similar in nature and use to the subject.

Mr. Barus reviewed *Appellant's Exhibit B* located within the appellant's evidence. This exhibit is a uniformity analysis listing four properties, a limited description, and their assessments. The parties stipulated that the information listed on the exhibit is correct. Mr. Barus testified he is familiar with each of the suggested comparables and that he inspected these properties. He testified the subject has five docks while the comparables have either four or eight. As to overhead doors, Mr. Barus testified the subject has three while the comparables have one or two. He testified the subject property and comparable #3 are currently being offered for rent at \$6.75 per square foot gross.

Under cross-examination, Mr. Barus testified he did not prepare *Appellant's Exhibit B* nor did he gather the documentation that was included in the evidence.

In support of the market value argument, the appellant submitted an appraisal undertaken by Ronald A. Oppedisano of Disano Appriaal Consultants. The report indicates Oppedisano is a State of Illinois general certified appraiser and holds the MAI designation. Oppedisano was the appellant's second witness. Oppedisano testified he received his MAI designation in 1994 and has worked as an appraiser for over 30 years. He further stated he has appraised over 2,500 properties, primarily which fall within the nonresidential category for type. Oppedisano testified he inspected the subject property on October 25, 2007.

The appraisal indicated the subject has an estimated market value of \$2,450,000 as of January 1, 2007. The appraisal report utilized the three approaches to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use is its continued use.

Under the cost approach to value, the appraiser analyzed the sale of 10 properties to arrive at an estimate of value for the land at \$6.50 per square foot or \$770,000, rounded. The reproduction cost new was utilized to determine a cost for the improvement at \$3,459,687. The age/life method was used to depreciate the improvement by 55% for a value of \$1,556,859. Oppedisano testified that site improvements of \$60,000 and land were added back in to establish a value under the cost approach of \$2,400,000, rounded.

In the income approach to value, Oppedisano testified he reviewed the current leases on the subject and analyzed the rents of 27 properties to estimate potential gross income at \$5.39 per square foot or \$313,438. Vacancy and collection were estimated at 7.5% for an effective gross income of \$289,930. Expenses were estimated at \$40,746 to arrive at a net operating income of \$249,184. Oppedisano testified he determined the capitalization rate under the direct capitalization method by looking at the overall rates for 26 properties, analyzing surveys and through the band of investment method to determine the capitalization rate of 10.25% to estimate a value under the income approach of \$2,450,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of seven properties located within the subject's market. The properties range in age from 19 to 38 years and in size from 17,892 to 70,284 square feet of building area. The comparables sold from June 2004 to January 2007 for prices ranging from \$36.83 to \$53.29 per square foot of building area, including land. Oppedisano testified he made adjustments to 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 \$42.00 per square foot of building area or \$2,450,000, rounded. Oppedisano testified he verified the sales information with a party to the sale.

In reconciling the three approaches to value, Oppedisano testified he gave equal consideration to the sales comparison and income approaches to value to arrive at a final estimate of value for the subject as of January 1, 2007 of \$2,450,000.

Under cross-examination, Oppedisano acknowledged the subject sold on August 27, 2004 for \$2,344,000. He testified his unadjusted sales range of comparables within the sales comparison approach was from \$36.83 to \$53.29. Oppedisano calculated the assessed value to reflect the subject's market value at \$46.08 per square foot of building area which he acknowledged was within the unadjusted range of the sales comparables. Oppedisano opined that the subject property was well maintained and had an effective age of 22 years and an actual age of 27 years.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's improvement assessment of \$832,112 or \$14.22 per square foot of building area was disclosed. The board also submitted raw sales information on six industrial properties suggested as comparable. The properties range in size from 50,000 to 60,000 square feet of building area and sold from August 2002 to August 2008 for prices ranging from \$1,500,000 to \$2,800,000 or from \$29.76 to \$51.15 per square foot of building area, including land. The board of review did not call any witnesses and rested on the evidence already submitted.

The intervenor, T.H.S.D. 214, submitted raw sales data on nine industrial properties suggested as comparable. The properties

range in size from 40,410 to 98,500 square feet of building area and sold from July 2005 to December 2007 for prices ranging from \$2,425,000 to \$4,745,000 or from \$38.69 to \$60.01 per square foot of building area, including land. The intervenor did not call any witnesses and rested on the evidence already submitted.

After reviewing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

Appellants who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 544 N.E.2d 762 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. Proof of assessment inequity should include assessment data and documentation establishing the physical, locational, and jurisdictional similarities of the suggested comparables to the subject property. Property Tax Appeal Board Rule 1910.65(b). Mathematical equality in the assessment process is not required. A practical uniformity, rather than an absolute one is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395, 169 N.E.2d 769 (1960). Having considered the evidence presented, the PTAB concludes that the appellant has met this burden and that a reduction is warranted.

The appellant presented assessment data on a total of four equity comparables. The PTAB finds these comparables similar to the subject. The data in its entirety reflects that the properties are improved industrial buildings. The properties range: in age from 23 to 28 years; in size from 50,537 to 94,866 square feet of building area; and in improvement assessments from \$5.20 to \$8.93 per square foot of building area. In comparison, the subject's improvement assessment of \$14.22 per square foot of building area is above the range of comparables. The PTAB gives little weight to the board of review's evidence as the data is merely raw sales data without any assessment information.

After considering adjustments and the differences in the comparables when compared to the subject, the PTAB finds the subject's per square foot improvement assessment is not supported and a reduction in the subject's assessment is warranted. The PTAB further finds that because a reduction is warranted based on equity, a market value analysis is not needed.

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: May 18, 2012

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.