



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

APPELLANT: Marc Realty
DOCKET NO.: 08-29039.001-C-2 through 08-29039.009-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Marc Realty, the appellant(s), by attorneys Michael D. Gertner of Michael D. Gertner, Ltd. in Chicago and Wilson Frost in Chicago; and the Cook County Board of Review by Cook County Assistant State's Attorney Joel Buikema.

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
08-29039.001-C-2	16-12-405-026-0000	8,235	1,213	\$9,448
08-29039.002-C-2	16-12-405-034-0000	62,517	132,083	\$194,600
08-29039.003-C-2	16-12-405-036-0000	35,121	140,338	\$175,459
08-29039.004-C-2	16-12-406-001-0000	3,682	0	\$3,682
08-29039.005-C-2	16-12-406-002-0000	4,257	0	\$4,257
08-29039.006-C-2	16-12-406-004-0000	4,115	0	\$4,115
08-29039.007-C-2	16-12-406-005-0000	3,366	0	\$3,366
08-29039.008-C-2	16-12-408-055-0000	29,250	48,466	\$77,716
08-29039.009-C-2	16-12-406-003-0000	4,257	0	\$4,257

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of nine parcels of land totaling 135,138 square feet and improved with a 42-year old, one-story, masonry, warehouse/office building containing 50,171 square feet of building area. 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 undertaken by Rufino Arroyo and George K. Stamas of Meridian Appraisal and Consulting Group, Ltd. The report

indicates Arroyo and Stamas are State of Illinois certified general appraisers. The appraisers indicated the subject has an estimated market value of \$1,255,000 as of January 1, 2006. 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 current use.

Under the cost approach to value, the appraiser analyzed the sale of five properties to arrive at an estimated value for the land at \$5.10 per square foot or \$690,000, rounded. The replacement cost new was utilized to determine a cost for the improvement at \$2,380,619. The age/life and the breakdown methods were used to depreciate the improvement by 75% for a value of \$595,155. The land was added back in to establish a value under the cost approach of \$1,285,000, rounded.

In the income approach to value, the appraisers analyzed the rents of five properties to estimate potential gross income at \$5.85 per square foot or \$293,500. Vacancy and collection were estimated at 7% for an effective gross income of \$272,955. Stabilized expenses were determined to be \$69,605 to arrive at a net operating income of \$203,350. The appraisers analyzed surveys and used the band of investment method to determine the capitalization rate of 10%. This rate was then loaded to 16.21% to estimate a value under the income approach of \$1,255,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of five masonry, one or one and part two-story, warehouse/office buildings located within the subject's market. The properties range in age from 36 to 87 years and in size from 40,279 to 110,000 square feet of building area. The comparables sold from June 2003 to October 2005 for prices ranging from \$800,000 to \$1,485,000, or from \$13.50 to \$26.73 per square foot of building area, including land. 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 appraiser estimated a value for the subject under the sales comparison approach of \$25.00 per square foot of building area or \$1,255,000, rounded.

In reconciling the three approaches to value, the appraisal gave most weight to the sales comparison approach and least weight to the cost approach to arrive at a final estimate of value for the subject as of January 1, 2006 of \$1,255,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$670,014 was disclosed. The subject's final assessment reflects a fair market value of \$1,800,854 or \$35.85 per square foot of building area when the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property and 22% for Class 1 property are applied. The board also submitted raw sales information on five properties suggested as comparable.

The properties sold from November 2003 to May 2005 for prices ranging from \$1,725,000 to \$6,500,000 or from \$35.06 to \$122.70 per square foot of building area, including land.

The board of review also submitted a copy of the trustee's deed for the sale of eight parcels of the subject property on August 7, 2002 for \$2,900,000. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the board of review's attorney submitted B.O.R. Exhibit #1, a second copy of the trustee's deed for the sale and B.O.R. Exhibit #2, a copy of the PTAX-203 Illinois Real Estate Transfer Declaration. The board argued that the appraisers did not include this sale within the appraisal because they only reviewed the prior three years of the subject's sales history and not five years. The board further argued that the appraisal included rental and land sale data from 2002. The board then asserted that without the appraisers to testify, the appraisal did not meet the burden of proof required.

After 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 a 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, 331Ill.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). Having considered the evidence presented, the PTAB concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraisers utilized the three traditional approaches to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraisers: have 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 approaches 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 PTAB gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made. The PTAB also gives little weight to the sale of the subject property because it is not reflective of the

market value of the entire subject; not all the parcels were included in this sale.

Therefore, the PTAB finds that the subject property had a market value of \$1,255,000 for the 2008 assessment year. Since the market value of the subject has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property will apply. In applying this level of assessment to the subject, the total assessed value is \$476,900 while the subject's current total assessed value is above this amount. Therefore, the PTAB finds that a reduction 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.



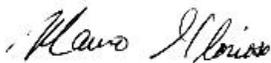
Chairman



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: February 24, 2012



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.