



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

APPELLANT: AT&T Services, Inc.
DOCKET NO.: 09-27502.001-C-2 through 09-27502.003-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are AT&T Services, Inc., the appellant(s), by attorney Kevin P. Burke, of Smith Hemmesch Burke & Kaczynski 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
09-27502.001-C-2	16-23-416-088-0000	24,772	999	\$25,771
09-27502.002-C-2	16-23-416-089-0000	25,486	44,470	\$69,956
09-27502.003-C-2	16-23-416-090-0000	24,803	44,470	\$69,273

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2009 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of three, irregular-shaped parcels of land totaling 36,394 square feet and improved with a 49-year

old, three-story, masonry, industrial building containing 43,134 square feet of building area. The property is located in West Chicago Township, Cook County and is a class 5 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on overvaluation. In support of the market value argument, the appellant submitted an appraisal undertaken by Terrence McCormick of McCormick & Wagner, LLC. McCormick was the appellant's only witness. McCormick testified he has owned McCormick & Wagner since 2000 and started appraising property in 1979. He testified he is licensed in Illinois and holds the MAI designation from the Appraisal Institute. He testified he has appeared before courts and tribunal as an expert witness including before the Illinois Property Tax Appeal Board. Mr. McCormick was accepted as an expert in property valuation without objection from the board of review.

The appraisal indicated the subject has an estimated market value of \$660,000 as of January 1, 2009. The appraisal report utilized the cost and sales comparison approaches to value to estimate the market value for the subject property. McCormick testified he inspected the subject in December 2006 and January 2010. He testified he has appraised this property four times and is very familiar with the building.

McCormick described the real estate market as of January 2009 and its impact on values. He then described the subject property and compared its characteristics to other industrial buildings. McCormick testified as to the subject's neighborhood and opined that the market in that area was stagnant to declining in 2009. The appraisal finds the subject's highest and best use is its continued use as an industrial building.

McCormick testified he considered all three approaches to value and performed the cost and sale comparison approaches. He testified he omitted the income approach because the subject is an older, multiple-story, single-user, industrial building located in a less desirable location where the property would more likely be purchased rather than leased.

Under the cost approach, McCormick testified he analyzed six land sales all located on the south side of Chicago. He acknowledged that sales #1 through #5 were substantially smaller than the subject and that sale #6 was the only property he could find that was larger than the subject. These properties sold

March 2005 to January 2008 for prices ranging from \$4.85 to \$8351 per square foot. McCormick testified to the adjustments made to the comparables for pertinent factors. He opined a land value for the subject of \$4.00 per square foot or \$145,000, rounded.

Using the Automated Marshall Valuation Service, McCormick estimated a reproduction cost new for the subject of \$5,273,437. McCormick used the market extraction method to estimate depreciation at 90%. McCormick testified as to how he developed the market extraction rate. He estimated the total depreciated value of the improvement at \$527,344 and added the land value back in for a total estimated value under the cost approach of \$670,000.

Under the sales comparison approach, the appraiser analyzed the sales of six properties. McCormick testified as to the location of these comparables. He testified he inspected the comparable properties. The properties range in effective age from 47 to 84 years and in size from 38,000 to 100,000 square feet of above grade building area. The comparables sold from August 2004 to December 2008 for prices ranging from \$4.50 to \$21.43 per square foot of above grade building area area, including land. McCormick testified he made adjustments to the comparables for pertinent factors. He stated these adjustments were noted within the appraisal. McCormick testified he estimated the above grade building area at \$12.00 per square foot and the below grade building area at \$10.00 per square foot for a total estimated value under the sales comparison approach of \$660,000.

In reconciling the two approaches to value, McCormick testified he gave most weight to the sales comparison approach and that the cost approach lends support to the indicated value by the sales comparison approach to arrive at a final estimate of value for the subject as of January 1, 2009 of \$660,000.

Under cross-examination, McCormick testified that he did not include the income approach to value because there were no rental comparables of similar buildings to analyze. He testified that sale comparables #4 is a multi-tenant building that does produce income, but that he looked for single-users that leased an entire building. McCormick reiterated that he found no other rental comparables.

McCormick testified as to how he analyzed the data in the sales comparison approach. He testified to the factors used in making adjustments to the comparables. McCormick acknowledged that he

was not aware of the quality of the comparables' basements because he did not access these parts of the comparables.

The board of review presented *BOR Exhibit #1*, a copy of the quit claim deed for sale comparable #6. McCormick testified that he was not aware of this transaction and opined that quick claim deeds are not always in the data sources. He testified that he would have to research a quick claim deed to determine if it was a sale.

On redirect, McCormick testified that the signature's for the grantee and grantor on *BOR Exhibit #1* appear to be the same person. He testified that quick claim deeds are used not just for a sale of the property, but to change the ownership record. He testified that there are no transfer stamps affixed to the deed and opined that there is no knowledge as to what the consideration was without these stamps.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment was \$291,002; yielding a market value of \$1,164,008 or \$26,98 per square foot of building area, including land, using the Cook County Real Property Classification Ordinance for Class 5 property of 25%.

The board also submitted raw sales information on five properties suggested as comparable. The properties range in size from 30,259 to 52,100 square feet of building area and sold for prices ranging from \$27.61 to \$44.79 per square foot of building area, including land. In addition, the board of review's memorandum discloses that the data is not intended to be an appraisal or estimate of value and should not be construed as such. In addition, it discloses that the information is assumed factual,, accurate, and reliable, but has not been verified and does not warrant its accuracy.

Conclusion of Law

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

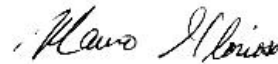
presented, the PTAB concludes that the appellant has met this burden and that a reduction is warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal and testimony. The appellant's appraiser utilized the cost and sales comparison approaches to value in determining the subject's market value. The witness credibly testified that the income approach would not be appropriate for the subject property. The Board finds the appraisal and testimony to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; and used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. The Board gives little weight to the board of review's comparables as the information provided was raw sales data.

Therefore, the Board finds the subject had a market value of \$660,000 for the 2009 assessment year. Since the market value of this parcel has been established, the Cook County Real Property Classification Ordinance for Class 5 property of 25% will apply. In applying this level of assessment to the subject, the total assessed value is \$165,000 while the subject's current total assessed value is above this amount. Therefore, the Board 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

Acting Member



Acting 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: November 20, 2015



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.