



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

APPELLANT: Virgil Pontarelli  
DOCKET NO.: 16-06035.001-I-1 through 16-06035.002-I-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Virgil Pontarelli, the appellant; and the DuPage County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **a reduction** in the assessment of the property as established by the **DuPage** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
16-06035.001-I-1	03-31-201-018	47,360	107,665	\$155,025
16-06035.002-I-1	03-31-201-017	71,090	107,665	\$178,755

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the DuPage County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2016 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 two parcels each improved with a one-story industrial building of masonry construction with 10,588 square feet of building area resulting in a combined building area of 21,176 square feet. Each building was constructed in 1987. Each building has a slab foundation and has a fire sprinkler system. The two buildings face each other and each has five units. Features include an exterior recessed loading dock, 14 foot clear ceiling heights, a 14 foot drive-in door, 300 square feet of office space in each unit and one restroom in each unit. The property has asphalt paving for parking. The two parcels (PINs) have a combined land area of 63,213 square feet. The property is located in Addison, Addison Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a narrative appraisal estimating the subject property had a market value of \$900,000 as of January 1, 2015. The appraisal was prepared by William P. Neberieza, a certified general real estate appraiser.

In the letter of transmittal the appraiser indicated that the purpose of the appraisal was to estimate the retrospective market value of the leased fee estate in the property. The report stated that the leased fee estate is defined as follows:

An ownership interest held by a landlord with the rent of use and occupancy conveyed by lease to others; the rights of lesser (sic) or the leased fee owner and leased fee are specified by contract terms contained within the lease. (Appraisal, p. 6.)

The appraiser determined the highest and best use of the site as vacant would be to improve the site with an industrial improvement. The highest and best use of the subject site as improved was determined to be to maintain the current improvements. In estimating the market value of the subject property the appraiser developed the sales comparison approach to value and the income approach to value.

In developing the sales comparison approach to value the appraiser used four sales located in Addison that were improved with industrial building that ranged in size from 12,177 to 37,460 square feet of building area and were constructed from 1967 to 1979. The comparables had sites ranging in size from 23,353 to 120,334 square feet of land area. The sales occurred from August 2013 to May 2015 for prices ranging from \$515,000 to \$1,650,000 or from \$42.04 to \$47.22 per square foot of building area, including land. After making adjustments to the comparables for differences from the subject in building size and land size the appraiser arrived at adjusted prices ranging from \$40.29 to \$47.22 per square foot of building area, including land. Using this analysis the appraiser indicated the subject property would have a value range from \$40.00 to \$47.00 per square foot of building area or from \$847,040 to \$995,272. The appraiser estimated the subject property had an estimated market value under the sales comparison approach of \$925,000.

Under the income approach to value the appraiser reviewed the subject's rents ranging from \$5.66 to \$12.45 per square foot of building area and four rental comparables with asking rentals ranging from \$6.95 to \$8.00 per square foot of building area on a net or semi-gross basis. The appraiser estimated the market rent to be \$8.00 per square foot resulting in a potential gross income of \$169,408. The appraiser deducted 10% of potential gross income or \$16,940 for vacancy and collection loss resulting in an effective gross income of \$152,468. The appraiser next deducted \$76,902 for expenses, which included \$42,320 in real estate taxes, to arrive at a net operating income of \$75,566. Using the band of investment technique the appraiser arrived at a capitalization rate of 8.40%. Capitalizing the net income resulted in an estimated market value under the income approach to value of \$900,000.

Based on these two approaches to value, giving most emphasis on the income approach, the appraiser estimated the subject property had a market value of \$900,000 as of January 1, 2015.

The appellant's submission also included a brief in which the appellant revealed that the Property Tax Appeal Board issued a decision reducing the subject's assessment for the 2015 tax year. The appellant further revealed that Addison Township raised the assessed values across the township by a factor of .0825% above the 2015 assessments. As part of the petition and brief, the

appellant requested an increase of .0825% above the Property Tax Appeal Board's 2015 decision for this 2016 appeal.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$432,690. The subject's assessment reflects a market value of \$1,299,760 or \$61.38 per square foot of building area, land included, when using the 2016 three year average median level of assessment for DuPage County of 33.29% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment the board of review submitted information on six comparable sales that were located in Addison, Bensenville, Wood Dale, Elk Grove Village or Lombard. The comparable properties ranged in size from 6,000 to 14,980 square feet of building area. The comparables were constructed from 1970 to 1988. The comparables had other features with varying degrees of similarity to the subject. The comparables had sale dates ranging from September 2013 to April 2016 for prices ranging from \$435,000 to \$1,230,000 or from \$51.76 to \$82.11 per square foot of building area, including land. Based upon these sales, the board of review concluded one of the subject's buildings would have an estimated market value of \$79.50 per square foot of building area, including land and the other would have an estimated market value of \$73.50 per square foot of building area, including land.

Based on this evidence the board of review requested that the subject's assessment be increased.

The appellant submitted rebuttal critiquing the board of review's submission. The appellant included a grid of 11 comparable sales, 9 of which were new comparable sales that were not previously submitted by either party.

### **Conclusion of Law**

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

As an initial finding regarding the value conclusion arrived at from the appellant's January 2015 appraisal for the subject property, the Board finds its effective date occurring 12 months prior to the January 1, 2016 assessment date at issue in this appeal is less probative of the subject's market value as of the assessment date at issue. Likewise, the Board gave less weight to three of the sales used in the appraisal due to their sale dates occurring in 2013 and 2014. In addition, since there is credible market sales data in this record, the Board has given reduced weight to the income analysis within the appraisal.

Regarding the additional sales evidence submitted by the appellant under rebuttal, the Board finds it cannot consider this new evidence. Section 1910.66(c) of the rules of the Property Tax Appeal Board states:

Rebuttal evidence shall not consist of new evidence such as an appraisal or **newly discovered comparable properties**. A party to the appeal shall be precluded from submitting its own case in chief in the guise of rebuttal evidence. (86 Ill.Adm.Code §1910.66(c)).

The Board finds the best evidence of market value to be the appellant's appraisal comparable #1, as well as the board of review's comparables #3, #5 and #6. These comparable sales were similar to the subject in location, use, age and features. These sales also sold more proximate in time to the January 1, 2016 assessment date at issue, than did the parties' remaining comparables. The best comparables had sale dates ranging from March 2015 to April 2016 for prices ranging from \$636,000 to \$1,230,000 or from \$46.62 to \$82.11 per square foot of building area, including land. The subject's assessment reflects a market value of \$1,299,760 or \$61.38 per square foot of building area, including land, which is above the range established by the best comparable sales in the record on a total market value basis and within the range on a per square foot basis. After adjusting the best comparables for differences when compared to the subject, such as the subject's larger building size, the Board finds a reduction in the assessed valuation of the subject commensurate with the appellant's request is justified.

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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.

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Chairman



\_\_\_\_\_  
Member

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Member



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Member

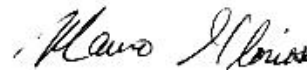
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Member

DISSENTING: \_\_\_\_\_

CERTIFICATION

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 18, 2020



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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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

AGENCY

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