



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

APPELLANT: Zoran Beric  
DOCKET NO.: 17-05404.001-C-1  
PARCEL NO.: 02-33-300-033

The parties of record before the Property Tax Appeal Board are Zoran Beric, the appellant, by attorney George N. Reveliotis, of Reveliotis Law, P.C. in Park Ridge; 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:

**LAND:** \$213,830  
**IMPR.:** \$241,125  
**TOTAL:** \$454,955

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 2017 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 a one-story, industrial building of masonry construction that contains approximately 34,095 square feet of building area on a poured, reinforced concrete foundation. The building was constructed in 1977 and is currently utilized as a divided single-tenant office and warehouse building with approximately 2,000 square feet of office area, 4,000 square feet of production area, and the remaining area being a warehouse. Features of the building include one drive-in door, one loading dock, and 18-foot wall height. The property has a 136,560-square foot site (of which approximately 15,000 square feet are being used as a water retention pond) and a land-to-building ratio of 4.01:1. The subject property is located in Carol Stream, Bloomingdale Township, DuPage County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal prepared by Robert S. Kang, a Certified General Real Estate

Appraiser, estimating the subject property had a market value of \$1,365,000 as of January 1, 2017.

In estimating the market value of the subject property, Kang developed the income capitalization approach and the sales comparison approach to value. Under the income approach, Kang analyzed rental data of six similar properties in the subject's market area and arrived at a rental rate for the subject of \$5.35 per square feet of building area and a total potential gross income of \$221,618. He then deducted 10% of potential gross income or \$22,162 for vacancy and collection loss based on data provided in CoStar and RealtyRates.com to arrive at an effective gross income of \$199,456. From this amount, Kang subtracted \$47,105 for fixed expenses (insurance), variable expenses (management fees, legal fees, common area maintenance, and repairs), and reserves for replacements to arrive at a Net Operating Income (NOI) of \$152,351. To this amount, Kang applied a capitalization rate of 12.098% and arrived at the subject's market value of \$1,260,000 under the income capitalization approach to value.

Under the sales approach to value, Kang utilized six comparable sales located in Addison, Carol Stream, and Glendale Heights. These properties were improved with single or multi-tenant industrial buildings of masonry exterior construction ranging in size from 26,412 to 41,427 square feet of building area. The buildings were built from 1970 to 1996. The comparables had sites ranging from 44,867 to 136,343 and had land-to-building ratios ranging from 1.95:1 to 3.29:1. The buildings each featured office areas ranging from 6% to 12% of the total building area; each building had from 1 to 4 drive-in doors; five buildings had from 1 to 4 docks; and the wall heights ranged from 16 to 20 feet high. The properties sold from December 2015 to October 2017 for prices ranging from \$1,100,000 to \$1,400,000 or from \$28.63 to \$41.65 per square foot of building area, including land. The appraiser then made adjustments to some comparables for building size, ceiling clearance/wall height, land-to-building ratios, and "economic attributes." Kang described economic attributes as the subject's ability to generate net income in relation to the comparable properties, e.g. single-tenant vs. multi-tenant designs. After applying the adjustments, the appraiser concluded that the comparable sales had adjusted sale prices ranging from \$30.63 to \$40.82 per square foot of building area, land included, and arrived at the subject's market value of \$1,365,000 or \$40.00 per square foot of building area, including land, rounded under the sales comparison approach to value. In reconciling the two approaches, Kang gave primary consideration to the sales comparison approach and arrived at the final opinion of value for the subject property to be \$1,365,000 or \$40,00 per square foot of building area, including land, as of January 1, 2017. Based on this evidence, the appellant requested the subject's assessment be reduced to \$449,955 to approximately reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$540,330. The subject's assessment reflects a market value of \$1,621,152 or \$47.55 per square foot of building area, land included, when using the 2017 three-year average median level of assessment for DuPage County of 33.33% as determined by the Illinois Department of Revenue.

In support of its contention of the correct assessment, the board of review through the township assessor submitted a grid analysis, property record cards and CoStar reports of five comparable sales located in Glendale Heights, Addison, Itasca, Roselle, and Carol Stream. The properties are each improved with one-story single-tenant or multi-tenant industrial buildings of masonry

exterior construction ranging in size from 25,217 to 42,787 square feet of building area. The buildings were built from 1966 to 2000. The comparable sales have sites ranging from 50,530 to 137,650 square feet of land area and had land-to-building ratios ranging from 2:1 to 3.97:1. The buildings ranged in wall height from 18 to 24 feet high. Four buildings had office spaces ranging in size from 4% to 73% of total building area. Each building had between 1 and 12 loading docks and either 1 or 2 drive-in doors. The comparables sold from September 2014 to December 2016 for prices ranging from \$967,000 to \$2,485,000 or from \$38.35 to \$58.08 per square foot of building area, including land. Comparable #2 also sold in January 2018 for a price of \$2,560,000 or \$73.80 per square foot of building area, including land. Comparable #5 was part of a portfolio sale including a total of 30 properties sold.

Based on this evidence, the board of review requested a confirmation of the subject's assessment.

### **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.

The appellant submitted an appraisal report and the board of review submitted five comparable sales in support of their respective positions before the Property Tax Appeal Board.

The Board finds the best evidence of market value to be the appraisal report submitted by the appellant. The appellant's appraiser developed the income approach and the sales comparison approach to value in arriving at the final value conclusion. The appraiser utilized reasonable income data and credible sales data to arrive at an estimated value conclusion based on a well-reasoned analysis of the data. The appraiser also made adjustments to the comparable sales for building size, ceiling clearance, land-to-building ratios, and economic attributes. The Board finds that these adjustments are reasonable and supported by the information contained in the property information sheets. The appellant's appraiser gave primary consideration to the sales comparison approach to value and arrived at the final opinion of value for the subject property of \$1,365,000 or \$40,00 per square foot of building area, including land, as of January 1, 2017. The subject's assessment reflects a market value of \$1,621,152 or \$47.55 per square foot of building area, land included, which is higher than the appraiser's final opinion of value.

The Board gave less weight to the board of review's raw sales data, due to the fact that no adjustments were considered for differences from the subject. In addition, comparable sale #5 was part of a portfolio sale containing a bulk sale of multiple properties. Furthermore, the board of review utilized comparable #2 which sold in September 2014, but did not utilize the sale of the same property which sold again in January 2018 which was more proximate in time to the January 1, 2017 assessment date.

Based on the evidence in this record, the Board finds that the appellant has proven by preponderance of evidence that the subject property is overvalued and a reduction in the subject's assessment 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. 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.



Chairman



Member



Member



Member



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: September 15, 2020



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

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