



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

APPELLANT: Ozinga Ready Mix Concrete, Inc.  
DOCKET NO.: 19-06955.001-I-2 through 19-06955.002-I-2  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Ozinga Ready Mix Concrete, Inc., the appellant, by attorney Andrew Frankenthal, of Field and Goldberg, LLC in Chicago; and the Lake 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 **Lake** County Board of Review is warranted. The correct assessed valuation of the property is:

<b>DOCKET NO</b>	<b>PARCEL NUMBER</b>	<b>LAND</b>	<b>IMPRVMT</b>	<b>TOTAL</b>
19-06955.001-I-2	12-07-400-003	150,000	39,981	\$189,981
19-06955.002-I-2	12-07-400-009	9,999	0	\$9,999

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Lake County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2019 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 an industrial facility operated as a concrete batch plant. The subject's improvements include a 9,120 square foot metal warehouse, a 1,400 square foot metal warehouse, an 1,800 square foot wood framed office and a 3,362 square foot batch plant. The buildings were constructed in 1972 and 1973. The property has a 413,384 square foot site and is located in North Chicago, Shields Township, Lake County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$600,000 as of January 1, 2019. The appellant's appraisers observed, during the time of inspection, that the subject's improvements were in below average condition for their age and noted the property has some deferred maintenance with little upgrades since initial construction. The appraisers

opined that the improvements would likely be demolished if the property sold. The appraisers utilized all three of the traditional approaches in valuing the subject.

Under the cost approach, the appellant's appraisers calculated a site value for the subject of \$700,000. The appraisers then calculated a cost-new of the subject's improvements of \$454,303, then added \$22,715 for soft costs, to arrive at a total replacement cost-new of \$477,018. The appraisers then subtracted 90% of the replacement cost-new, or \$408,873, for depreciation to arrive at an indicated value for the subject by the cost approach of \$770,000, rounded.

Under the sales comparison approach, the appraisers selected five comparable properties that are located in Des Plaines, Woodstock, Volo, Wauconda and Chicago. The comparables have sites ranging in size from 75,359 to 452,588 square feet of land area. Four of the comparables are improved with industrial buildings ranging in size from 16,800 to 78,200 square feet of building area. The buildings were constructed between 1970 and 2010. The improved comparables have sale dates ranging from July 2015 to February 2019 and sold for prices ranging from \$950,000 to \$4,227,000 or from \$50.23 to \$87.80 per square foot of building area, including land. The appellant's appraisal sale #3, which is located in Lake County, is a similar concrete batch plant as the subject but all the improvements are assessed as personal property. This comparable sold in April 2019 for \$350,000. After adjusting the improved comparables' sale prices for market trends, location, building size, quality and condition, when compared to the subject, the appraisers estimated the comparables would have adjusted unit sale prices ranging from \$39.73 to \$59.61 per square foot of building area, including land. Based on the adjusted unit sale prices, the appraisers estimated that the subject would have a value of \$50.00 per square foot of building area, including land, or \$620,000, rounded.

Under the income approach, the appraisers selected five comparable rental properties that are located in Lake Bluff, North Chicago, Elk Grove, Bensenville and Wheeling. The comparables have buildings ranging in size from 4,788 to 44,000 square feet of building area that were constructed between 1970 and 1988. The comparables have asking rents ranging from \$3.50 to \$7.92 per square foot of building area. After adjusting the comparables' rent for their superior condition, the appraisers arrived at an estimated market rent for the subject of \$4.00 per square foot of building area or a total potential gross income of \$49,280. The appraisers then subtracted \$2,464 for vacancy loss to arrive at an effective gross income of \$46,816. The appraisers subtracted \$3,277.12 for total operating expenses to arrive at a net operating income of \$43,539, rounded, which was capitalized at a rate of 7.00%, for an estimated market value for the subject under the income approach of \$600,000, rounded.

In reconciliation, the appraisers placed most weight on the sales comparison and the income approaches to value, as a likely buyer for the subject would consider these approaches most important, and estimated the subject property has a market value of \$600,000 as of January 1, 2019.

Based on this evidence, the appellant requested that the subject's total assessment be reduced to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total combined assessment for the subject consisting of two parcels of \$318,401. The subject's

assessment reflects a market value of \$968,078 or \$78.58 per square foot of building area, land included, when using 12,320 square feet of building area and when applying the 2019 three-year average median level of assessment for Lake County of 32.89% as determined by the Illinois Department of Revenue.

In response to the appellant's complaint, the board of review submitted a brief critiquing the appellant's appraisal, information on four suggested comparable sales, a lease for the subject property and documentation of a \$5,000,000 mortgage for a property that is not the subject. The four comparables are located in Highland Park, Gurnee or and Green Oaks. The comparables have sites ranging in size from 107,593 to 348,480 square feet of land area and sold from June 2010 to November 2020 for prices ranging from \$958,630 to \$4,800,000 or from \$3.27 to \$29.86 per square foot of land area.

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

The appellant's counsel submitted rebuttal critiquing the board of review's submission. The appellant's counsel argued the board of review submitted two comparables that sold in 2010 and 2012, which are not relevant to the current 2019 appeal. In addition, comparable #1 was purchased as a commercial redevelopment, now consists of a new CVS drug store, and is situated amongst a Chase Bank and a Starbucks. Comparable #2 was, and is, an Audi dealership. Comparable #3 was purchased with the intention of constructing a headquarters for a logistics company. Comparable #4 was acquired to build a 160,000 square foot industrial warehouse. Counsel asserted none of the board of review comparables have a similar use as the subject and would require adjustments for the major differences in use.

### **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 Board finds the best evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$600,000 as of January 1, 2019. The subject's assessment reflects a market value of \$968,078 or \$78.58 per square foot of building area, including land, which is above the appraised value. The appellant's appraisers selected appropriate sale and lease comparables and made reasonable adjustments to the comparables to account for their differences from the subject property. The Board gave less weight to the board of review's comparables due to their sale date occurring greater than 6 years prior to the January 1, 2019 assessment date at issue and/or their differences in land use, when compared to the subject. The Board also gives less weight to the subject's actual lease, submitted by the board of review, as this evidence does not overcome the market derived income approach within the appellant's appraisal. Finally, the Board gives no weight to the \$5,000,000 mortgage, submitted by the board of review, as the mortgage is for a property that is not the subject. Based on this

record, the Board finds a reduction to the subject's assessment commensurate with the appellant's request is appropriate.

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:

June 21, 2022



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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COUNTY

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