



FINAL ADMINISTRATIVE DECISION ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Won Kim
DOCKET NO.: 11-35117.001-C-2
PARCEL NO.: 10-30-406-017-0000

The parties of record before the Property Tax Appeal Board are Won Kim, the appellant, by Christopher G. Walsh, Jr., Attorney at Law in Chicago; the Cook County Board of Review; the Niles E.S.D. #71, and Niles Twp H.S.D. #219, intervenors, by attorney John M. Izzo of Hauser, Izzo, Petrarca, Gleason & Stillman, LLC in Flossmoor.

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 **Cook** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$126,569
IMPR.:	\$448,431
TOTAL:	\$575,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Property Tax Appeal Board pursuant to section 16-185 of the Property Tax Code (35 ILCS 200/16-185) challenging the assessment for the 2011 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 with 56,609 square feet of building area. The building was constructed in 1978. The property has a 119,124 square foot site and is located in Niles, Niles Township, Cook County. The property is a class 5-93 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an ad valorem appraisal estimating the subject property had a market value of \$2,000,000 as of January 1, 2010. The appellant's appraisal was completed using the three traditional approaches to value property in estimating a market value for the subject.

Under the cost approach, the appraiser estimated the subject's land value to be \$500,000 using three land sales from Des Plaines, Arlington Heights and Wheeling. The appraiser calculated the cost new of the subject building to be \$3,163,495 and then subtracted \$1,423,573 for accrued depreciation from all causes to arrive at an indicated value from the cost approach of \$2,240,000.

Under the income approach, the appraiser calculated a potential gross income for the subject of \$424,568 and then subtracted \$42,457 for vacancy and collection losses to arrive at an effective gross income of \$382,111. The appraiser then subtracted \$115,000 for expenses, from the effective gross income, to arrive at a net operating income of \$267,111 for the subject. The appraiser then divided the net operating income by .1473, which consists of a 10% capitalization rate plus a .0473 tax load, to arrive at an indicated value from the income approach of \$1,800,000.

Under the sales comparison approach, the appellant's appraiser selected five comparable properties which were located in Morton Grove, Mt. Prospect, Niles, Skokie and Wheeling. The properties were similar one-story buildings ranging in size from 50,000 to 106,160 square feet of building area. The comparables were built from 1951 to 1988. The comparables had other features with varying degrees of similarity to the subject. Four of the comparables had sale dates ranging from July 2007 to December 2010 for prices ranging from \$995,000 to \$4,195,000 or from \$19.90 to \$39.52 per square foot of building area, including land. The remaining comparable was being listed for a price of \$2,300,000 or \$28.46 per square foot of building area, including land.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$665,156. The subject's assessment reflects a market value of \$2,660,624 or \$47.00 per square foot of building area, land included, when using the level of assessments for class 5 property of 25% under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment the board of review submitted information on five sales that were located in Chicago or Niles. The comparables were one-story or two-story buildings that ranged in size from 45,000 to 64,024 square feet of building area. The comparables had other features with varying degrees of similarity to the subject. The sales occurred from May 2007 to August 2010 for prices ranging from \$2,000,000 to \$3,325,000 or from \$44.44 to \$58.97 per square foot of building area, including land.

Conclusion of Law

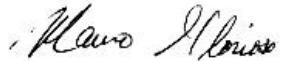
The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist 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 appellant's January 1, 2010 ad valorem appraisal for the subject property, the Board finds its effective date occurring 12 months prior to the January 1,

2011 assessment date is less probative of the subject's market value as of the assessment date at issue. Furthermore, only one of the comparable sales used by the appraiser was located in Niles like the subject, while the board of review submitted four comparables from Niles, which were very similar to the subject in design and size. Conversely, two properties selected by the appraiser were nearly twice the size of the subject property. As to the cost and income approaches to value within the appraisal, the Board finds the courts have stated that where there is credible evidence of comparable sales these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App.3d 207 (1979), the court held that significant relevance should not be placed on the **cost approach** or **income approach** especially when there is market data available. In Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. Since there are credible market sales contained in the record, the Board placed most weight on this evidence.

The Board finds the best evidence of market value to be the appellant's appraisal sale #3 and the board of review's comparable sale #2. These comparable sales were most similar to the subject in location, design and size. These comparables also sold more proximate in time to the January 1, 2011 assessment date at issue than did the parties' remaining comparable sales. The Board does acknowledge, however, that the appellant's appraisal sale #3 is considerably older than the subject. The best comparables sold in December 2010 and August 2010 for prices of \$995,000 and \$2,300,000 or \$19.90 and \$45.77 per square foot of building area, land included. The subject's assessment reflects a market value of \$2,660,624 or \$47.00 per square foot of building area, including land, which is not supported by the best comparables in this record. The Board gave less weight to the parties' remaining comparable sales due to their dissimilar locations, significantly larger sizes or sale dates occurring greater than 15 months prior to the January 1, 2011 assessment date at issue. After adjusting the best comparables for differences when compared to the subject, the Board finds a reduction in the subject's assessment 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.



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 13, 2019



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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