

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Estate of Marshall G. Dazey
DOCKET NO.: 03-24758.001-C-1
PARCEL NO.: 25-19-113-010

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are Estate of Marshall G. Dazey, the appellant, by attorney Terrence J. Griffin with the law firm of Eugene L. Griffin and Associates in Chicago and the Cook County Board of Review.

The subject property consists of a 36,400 square foot parcel of land containing a 118-year old, three-story, masonry constructed, apartment building with 33,966 square feet of building area. The appellant, via counsel, argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant submitted an appraisal of the subject property with an effective date of January 1, 2003. The appraiser used the three traditional approaches to value to arrive at market value of \$690,000. The appraiser determined that the highest and best use to be its current use.

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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:

LAND:	\$ 36,981
IMPR.:	\$142,419
TOTAL:	\$179,400

Subject only to the State multiplier as applicable.

PTAB/0494JBV

In the cost approach to value, the appraiser reviewed the sales of four comparables to determine a value for the land of \$5.00 per square foot or \$180,000, rounded. Using the *Marshall Valuation Computerized Cost Service*, the appraiser estimated a replacement cost new for the improvement of \$2,039,998. Using the age-life method, the appraiser then determined a depreciation of 73% before external obsolesces and accrued depreciation of 79.4% for a value of \$475,750 for the improvement. A depreciated value of the site improvements of \$36,800 and the value of the land was then added in for a final value under the cost approach of \$690,000, rounded.

In the income approach, the appraiser reviewed the rent of 12 comparable properties and established a range of \$375 to \$1,100 per apartment unit. After adjustments, the appraiser determined a potential gross income for the subject of \$280,440. The appraiser then applied a 10% vacancy & collection factor for an effective rental income of \$252,396. Income from parking and miscellaneous sources was estimated at \$11,620 for an effective gross income of \$264,016. Expenses were estimated at \$153,208 to arrive at a net operating income of \$110,808. Using several methods, the appraiser applied a capitalization rate of 16% for a total value based on the income approach of \$690,000, rounded.

Under the sales comparison approach to value, the appraiser utilized four suggested comparable sales located in the same market as the subject. The comparables consist of three-story, masonry, apartment buildings. The buildings range: in age from 73 to 97 years; in size from 15,414 to 37,050 square feet of building area; and in units from 24 to 36. The properties sold from December 2000 to January 2003 for prices ranging from \$445,000 to \$695,000 or from \$18.76 to \$28.87 per square foot of building area. The appraiser made several adjustments to the comparables. Based on this, the appraiser determined the subject property's value using the sales comparison approach to be \$700,000 rounded.

In reconciling the approaches to value, the appraiser gave primary emphasis to the income approach and minimal consideration to the sales comparison approach for a final value for the subject as of January 1, 2003 of \$690,000.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$237,135. The subject's assessment reflects a market value of \$912,058 using the level of assessment of 26% for Class 3 property as contained in the Cook County Real Property Assessment Classification Ordinance. The board also submitted raw sale information for four properties suggested as comparable to the subject. These

comparables are all located within the subject's market and are improved with three or five-story, masonry, apartment building complexes. The complexes contain between one and four buildings. These buildings ranged in age from 31 to 49 years; in size from 22,000 to 32,775 square feet of building area; and in units from 21 to 40. The comparables sold from November 2000 to January 2005 for prices ranging from \$1,095,000 to \$2,310,000 or from \$49.77 to \$70.48 per square foot of building area. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the evidence and reviewing the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

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 evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the three traditional approaches to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; estimated a highest and best use for the subject property; utilized appropriate market data in undertaking the approaches to value; and lastly, used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. The PTAB gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made and two of the sales occurred over two years after the lien date in question.

Therefore, the PTAB finds that the subject property contained a market value of \$690,000 as of the January 1, 2003 assessment date. Since the market value of the subject has been established, the Cook County Real Property Classification Ordinance level of assessments for Cook County Class 3 property of 26% will apply. In applying this level of assessment to the

subject, the total assessed value is \$179,400 while the subject's current total assessed value is above this amount at \$237,135. Therefore, the PTAB 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



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: December 7, 2007



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.