

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: W & S Properties
DOCKET NO.: 04-21558.001-C-1
PARCEL NO.: 10-15-118-038

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are W & S Properties, the appellant, by attorney Loren R. Stone in Skokie and the Cook County Board of Review.

The subject property consists of a 64,300 square foot parcel of land containing a four-story, masonry constructed, elevator apartment building with 67 units and 60,100 square feet of rentable 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, 2004. The appraiser used the three traditional approaches to value to arrive at market value of \$3,450,000. The appraiser determined that the highest and best use to be its current use.

In the cost approach to value, the appraiser reviewed the sales of four comparables to determine a value for the land of \$20.00

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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:	\$129,564
IMPR.:	\$767,436
TOTAL:	\$897,000

Subject only to the State multiplier as applicable.

PTAB/0453JBV

per square foot or \$1,290,000, rounded. Using the *Marshall Valuation Computerized Cost Service*, the appraiser estimated a replacement cost new for the improvement of \$5,047,448. The appraiser than calculated indirect costs at 3% and entrepreneurial profit at 10% to arrive at a total replacement cost new of \$5,718,759. He then determined a depreciation of 63.4% for a value of \$2,092,340 for the building, while he listed the depreciated value for the site improvements to be \$66,950. The land was than added in for a final value under the cost approach of \$3,450,000, rounded.

In the income approach, the appraiser reviewed the rent of five comparable properties and established a range of \$845.00 to \$1,265.00 per month per unit. After adjustments, the appraiser determined a potential gross income for the subject of \$\$872,400. The appraiser than applied a 5% vacancy factor for an effective gross income of \$828,780. the appraiser than added the potential income from laundry and parking to establish an effective gross income from all sources of \$838,200. The appraiser extracted expenses to determine a net operating income of \$503,596. Using the band of investment and market extraction methods, the appraiser applied a loaded capitalization rate of 14.60% for a total value based on the income approach of \$3,440,000, rounded.

Under the sales comparison approach to value, the appraiser utilized five suggested comparable sales located in the same market as the subject. The comparables consist of multi-story, masonry, apartment buildings. The buildings range in size from 20 to 171 units and 9,912 to 91,040 square feet of building area. The properties sold from May 2001 to January 2004 for prices ranging from \$1,025,000 to \$3,350,000 or from \$53.62 to \$127.62 per square foot of building area or from \$50,000 to \$65,384 per unit. 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 \$3,500,000, rounded.

In reconciling the approaches to value, the appraiser gave substantial emphasis on the income approach, minimal consideration to the sales comparison approach and least weight to the cost approach for a final value for the subject as of January 1, 2004 of \$3,450,000.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$953,695. The subject's assessment reflects a market value of \$3,668,057 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 Comps sale information for five properties suggested as comparable to the subject. These

comparables are all located within the subject's market and are improved with three to eight-story, masonry, apartment buildings. These buildings ranged in size from 52 to 70 units or 26,250 to 65,100 square feet of rentable area, with one size unknown and in age from 24 to 78 years with one property's age unknown. The comparables sold from January 2003 to April 2004 for prices ranging from \$3,350,000 to \$7,180,000 or from \$110.29 to \$157.82 per square foot of rentable area, with one property's price per rentable area unknown. Documentation for comparables #1, #2, #3 and #4 suggests that the properties were not on the market at the time of sale. The Comps printouts submitted as evidence note that the information provided is not guaranteed as accurate or reliable. 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 the board of review's comparables as four of the comparables sales were not on the market at the time of sale and the suggested comparable sales printouts submitted by the board were not guaranteed as reliable.

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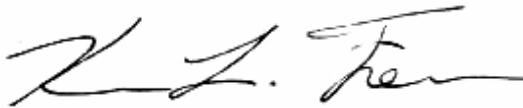
Therefore, the PTAB finds that the subject property contained a market value of \$3,450,000 as of the January 1, 2004 assessment date. Since the market value of the subject has been established, the Cook County Real Property Classification Ordinance level of assessments for Cook County Class 3 property of 26% will apply. In applying this level of assessment to the subject, the total assessed value is \$897,000 while the subject's current total assessed value is above this amount at \$953,695. Therefore, the PTAB finds that a reduction is warranted.

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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

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: October 26, 2007



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

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"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.