

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Elzbieta Warnecka
DOCKET NO.: 05-24613.001-C-1
PARCEL NO.: 24-35-100-078-0000

The parties of record before the Property Tax Appeal Board (PTAB) are Elzbieta Warnecka, the appellant, by attorney John P. Fitzgerald of John P. Fitzgerald, Ltd of Chicago and the Cook County Board of Review.

The subject property consists of a 23-year-old, masonry, one-story, office building containing 4,200 square feet of building area sited on a 146,361 square foot parcel and located in Worth Township, Cook County. The subject has a land-to-building ratio of 34.85 to 1.

The appellant, through counsel, appeared before the PTAB and submitted evidence before the PTAB claiming that the subject's market value is not accurately reflected in its assessment.

In support of this argument the appellant submitted an appraisal dated January 1, 2005 containing the three approaches to value. In the cost approach, based on the adjustment of five land sales, the appraiser estimated the land value to be approximately \$365,903, 365,000 rounded, or \$2.50 per square foot. The appraiser estimated a more typical land-to-building ratio would be 3.00 to 1 and concluded 133,761 square feet of land is excess land. The appraiser valued the 133,761 square feet of excess land at \$2.50 per square foot resulting in a value of \$335,000 for the excess land. The appraiser estimated the depreciated value of the building and on site improvements to be \$201,350 or a land and improvement total of \$566,350, i.e. \$565,000, rounded for the cost approach.

In the sales approach the appraiser used five office type building sales ranging in size from 2,350 to 6,200 square feet that occurred between January 2002 and July 2003 for prices ranging from \$38.50 to \$53.19 per square foot and after appropriate adjustments arrived at a value of \$51.00 per square foot or a value of \$214,200 to which the appraiser added the excess land of \$335,000 or \$550,000 rounded via the sales comparison approach. The appraiser claimed the subject's current

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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: \$139,042
IMPR. \$ 69,958
TOTAL: \$209,000

Subject only to the State multiplier as applicable.

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purchase price included business value and claimed the sale is not indicative of market value.

In the income approach the appraiser employed five comparable net rentals ranging from \$6.00 to \$8.00 per square foot and considered \$7.50 to be an appropriate rental for the subject. After considering vacancy loss & comparable expenses the appraiser arrived at a net operating income of \$19,166. Research yielded a capitalization rate of 9.00%. Capitalizing the net operating income of \$19,166 with a cap rate of 9.00% resulted in an income approach estimated value of \$212,956 to which the appraiser included the excess land value of \$335,000 resulting in a total rounded value via the income approach of \$550,000. The appraiser gave the sales comparison approach the most weight supported by the income and cost approach resulting in a final value of \$550,000.

Based upon this evidence, the appellant requested a reduction in the subject's total assessment to reflect the reduced market value.

The board of review submitted "Board of Review-Notes on Appeal" that disclosed the subject's total assessment of \$255,930 which reflects a market value of \$673,500 or \$160.36 per square foot as factored by the Cook County Ordinance level of 38%. The board submitted evidence in support of its assessed valuation of the subject property. As evidence the board offered seven sales of office type buildings that occurred between August 1998 and July 2006 for prices ranging from \$430,000 to \$1,391,000 or from \$110.00 to \$434.69 per square foot of land and building. No analysis and adjustment of the sales data was provided by the board. The board disclosed the subject was purchased for \$910,000 in May of 2004. Based on this evidence the board asked for confirmation of the subject's assessment.

After reviewing the record and considering the evidence, 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. *Property Tax Appeal Board Rule 1910.63(e)*. 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. *Property Tax Appeal Board Rule 1910.65(c)*.

The PTAB finds that the appellant has met this burden and has submitted the best evidence of market value. The appellant's appraisal indicates that the subject property was valued at \$550,000. Since the market value of the subject has been established, the Cook County Class 5a property assessment of 38% will apply. The subject's total assessment should not be in excess of \$209,000, while the subject's current total assessment is at \$255,930.

The PTAB gives less weight to the board's sales evidence because it lacks analysis and a supported conclusion of value. All but one of the board's sales have a lower per square foot value than the subject ranging from \$143.33 to \$165.93. The subject was purchased at \$216.67 per square foot. One sale is beyond the 2005 assessment date.

As a result of this analysis, the PTAB finds that the appellant has adequately demonstrated that the subject property was overvalued and that 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.



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: December 5, 2008



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.