



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

APPELLANT: Chip Long
DOCKET NO.: 06-22387.001-C-1
PARCEL NO.: 14-05-408-031-0000

The parties of record before the Property Tax Appeal Board are Chip Long, the appellant; attorneys Daniel Pikarski and Kris Murphy with the law firm of Gordon & Pikarski in Chicago; and the Cook County Board of Review.

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: \$ 79,918
IMPR.: \$167,082
TOTAL: \$247,000

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 11,686 square foot land parcel improved with a one-story, 80-year old, masonry building used for commercial purposes.

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 a limited restricted use appraisal of the subject property with an effective date of January 1, 2006 undertaken by Lawrence Starkman, a real estate appraiser holding the designation of Member of the Appraisal Institute (hereinafter MAI). The appraisal indicated that the intended use of this appraisal was to estimate the market value of the real estate for ad valorem tax purposes. In addition, the appraisal stated that the appraiser personally: inspected the perimeter of the subject site and surrounding immediate area; inspected the interior of the building; gathered and confirmed information on comparable sales; and developed the sales comparison approach to value.

Upon review of the sales history of the subject, the appraiser reported that the subject had sold on January 20, 2004, for a price of \$770,000. The appraisal stated that the subject's highest and best use, as if vacant, was for commercial development, while the highest and best use, as if improved, was to maintain the existing improvements in its continued current use. The subject was described as a two-story, commercial building with retail usage on the first floor and storage area on the second floor, all of which was of average condition.

Under the sales comparison approach to value, the appraiser utilized four sales comparables, which were one-story or two-story, masonry, commercial buildings. These comparables sold from November, 2002, through May, 2004, for prices that ranged from \$340,000 to \$765,000, or from \$48.34 to \$77.04 per square foot. The properties range in age from 55 to 95 years and in size from 5,200 to 14,480 square feet.

An ancillary issue was the size of the subject's improvement. The appellant's evidence comprising a MAI appraisal reflected 10,000 square feet of area along with multiple color photographs of the subject as well as neighborhood maps. The appraisal indicated that trends in the subject's area are expected to remain generally stable. After making adjustments to the suggested comparables, the appraiser estimated the subject's market value was \$65.00 per square foot or \$650,000.

At hearing, the appellant's attorney argued that the appellant's appraisal provides a more accurate determination of market value in contrast to the subject's purchase in early 2004, which counsel asserted occurred within a different triennial reassessment period for the subject property.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$292,599 for tax year 2006. The subject's assessment reflects a market value of \$769,997 or \$73.88 per square foot for tax year 2006 using the Cook County Ordinance level of assessment for Class 5a, commercial property of 38%.

The board of review's memorandum indicated that the subject had been purchased in January, 2004, for \$770,000. The memorandum further stated that in tax year 2006, an addition was made to the subject's improvement increasing its size by 605 square feet of building area for a total of 10,482 square feet. Copies of the documents from the Recorder of Deeds office support the subject's sale.

In support of the subject's addition, the board submitted copies of the subject's property record cards (hereinafter PRC). These PRC reflect two small building additions noted on March 7, 2006. One addition contained 475 square feet, while the second addition contained 120 square feet. Both additions total 595 square feet of building area located on the subject's first floor area.

In addition, the board of review submitted a memorandum as well as CoStar Comps printouts for five suggested comparables. The properties contained either single-tenant or multi-tenant commercial buildings. The data reflected that three of the five properties' sales were absent a buyers and sellers real estate brokers. They sold from January, 2001, to October, 2006, for prices that were in an unadjusted range from \$50.93 to \$214.54 per square foot. The buildings ranged in size from 8,017 to 11,500 square feet of building area. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments and reviewing 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. 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 Board concludes that the evidence indicates a reduction is warranted.

An initial issue raised in the parties' pleadings was the building size of the subject. The Board finds that the best evidence of size was found in the appellant's appraisal. The Board finds the board of review's evidence to be contradictory on this issue. The board of review's memorandum asserts that the subject contained 10,482 square feet; however, the submitted PRC identify additions to the subject's building sometime in March, 2006, which is after the January 1, 2006 assessment date at issue. Therefore, the Board finds that the subject's improvement size is 10,000 square feet of building area.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the sales comparison approach to value in determining the subject's market value. The Board further finds this appraisal to be persuasive for the appraiser personally inspected the subject property and utilized market data in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments where necessary.

Moreover, the Board accorded diminished weight to the board of review's limited and raw sales data.

Therefore, the Board finds that the subject property contained a market value of \$650,000 for tax year 2006. Since the market

value of the subject has been established, the Cook County Ordinance level of assessment for Class 5a, commercial property of 38% will apply. In applying this level of assessment to the subject, the total assessed value is \$247,000, while the subject's current total assessed value is above this amount at \$292,599. Therefore, the Board 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario M. Louie

Member

Shawn R. Lerbis

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 22, 2010

Allen Castrovillari

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.