



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

APPELLANT: John B. Mattes  
DOCKET NO.: 06-26615.001-R-1  
PARCEL NO.: 30-30-220-030-0000

The parties of record before the Property Tax Appeal Board are John B. Mattes, the appellant, by attorney Michael E. Crane, of Crane & Norcross in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change 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:** \$ 2,702  
**IMPR.:** \$ 21,604  
**TOTAL:** \$ 24,306

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 5,630 square foot parcel improved with a 26-year-old, two-story, mixed-use building of masonry construction containing 3,922 square feet of building area. Features include two and one-half bathrooms and central air-conditioning. The subject is built on slab and located in Thornton Township, Cook County.

The appellant, through counsel, submitted evidence before the Property Tax Appeal Board arguing that the fair market value of the subject is not accurately reflected in its assessed value. In support of this claim, the appellant's attorney prepared and submitted an "income approach", using the subject's actual income and expenses. The appellant's evidence disclosed that the subject property's net income for tax year 2006 was \$5,610. Applying a capitalization rate of 15.28% produced a market value for the subject of \$36,715. The appellant also provided a one-page letter from Prime Appraisal, LLC dated June 29, 2007 suggesting that the subject's rental rates and expenses are within the current market range for properties of the same type, age and location as the

subject. In addition, the appellant provided copies of 2005 and 2006 vacancy/occupancy affidavits, Federal Tax Returns for tax years 2003, 2004 and 2005 and a 2006 rent roll affidavit for the subject property. Based on the evidence submitted, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the subject's total assessment of \$24,306. The subject's improvement assessment is \$21,604 or \$5.51 per square foot of building area. In support of the assessment the board submitted property characteristic printouts and descriptive data on three properties suggested as comparable to the subject. The suggested comparables are improved with two-story, 32 or 33-year-old, 2,960 square foot, mixed-use buildings of masonry construction with the same neighborhood code as the subject. The comparables contain three or four full bathrooms. One comparable has a partial-unfinished basement and one comparable has a multi-car garage. The improvement assessments range from \$5.51 to \$6.17 per square foot of building area. Based on the evidence presented, the board of review requested confirmation of the subject's assessment.

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, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist, 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> Dist. 2000). Proof of market value may consist of an appraisal, a recent arms-length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Adm.Code §1910.65(c). Having considered the evidence, the Board finds the appellant has not satisfied this burden.

Regarding the appellant's overvaluation contention, the Board finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

It is the value of the "tract or lot of real property" property which is assessed, rather than the value of the interest presently held. . . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value". . . . Many factors may prevent a property owner from realizing an income from property, which accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash

value" for taxation purposes." Springfield Marine Bank v. Property Tax Appeal Board 44 Ill.2d 428 at 430-431.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate that the subject's actual income and expenses were reflective of the market. To demonstrate or estimate the subject's market value using an income approach, as the appellant attempted, one must establish through the use of market data the market rent, vacancy and collection losses, and expenses to arrive at a net operating income. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant failed to follow this procedure in developing the income approach to value; therefore, the Property Tax Appeal Board gives this argument no weight.

As a result of this analysis, the Property Tax Appeal Board finds the appellant has failed to adequately demonstrate that the subject dwelling was overvalued by a preponderance of the evidence and a reduction in the subject's assessment is not 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 Morris*

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: January 21, 2011

*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.