



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

APPELLANT: Myles Kerrigan
DOCKET NO.: 06-28980.001-R-1
PARCEL NO.: 17-08-246-004-0000

The parties of record before the Property Tax Appeal Board are Myles Kerrigan, the appellant(s), by attorney Joanne Elliott, of Elliott & Associates, P.C. in Des Plaines; 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: \$25,065
IMPR.: \$127,015
TOTAL: \$152,080

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 8,468 square foot parcel of land improved with one-story building converted from a commercial garage into two one-bedroom apartments, a large studio space and a large garage. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Sara Chambers of PF Appraisals. The report indicates Chambers is a State of Illinois certified general appraiser. The appraiser indicated the subject has an estimated market value of \$1,100,000 as of January 1, 2006. The appraisal's purpose is to estimate the "As Is" market value of the property under its highest and best use. The appraisal report utilized the sales comparison approach to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use as vacant is residential condominium development and as improved is to raze the current

improvements and redevelop the site with a residential condominium building.

Under the sales comparison approach, the appraiser analyzed the sales of four vacant lots within the subject's market. Three of these lots have been improved with condominiums or single family homes. The properties sold from July 2004 to November 2005 for prices ranging from \$195,000 to \$1,250,000 or from \$81.25 to \$145.00 per square foot of land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser estimated a value for the subject as vacant under the sales comparison approach from \$126.35 to \$131.25 per square foot of land or \$1,100,000, rounded.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$152,080 was disclosed. The subject's final assessment reflects a fair market value of \$1,502,767 using the Illinois Department of Revenue's 2006 three year median level of assessment for class 2 property of 10.12%. In support of the subject's assessment, the board of review presented descriptions and assessment information on a total of four properties suggested as comparable and located within the subject's neighborhood. The properties are described as one-story, masonry, single-family dwellings with between one and two and one-half baths, air conditioning for one property, and, for three properties, a partial or full, unfinished basement. The properties range: in age from 19 to 112 years; in size from 1,824 to 2,575 square feet of living area; and in improvement assessment from \$15.85 to \$25.92 per square foot of living area. One of these properties, sold in May 2004 for \$630,000. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant's attorney described the subject and argued that the appraisal is the best evidence of value based on the sale of properties that were redeveloped. She argued that these sales are consistent with the highest and best use as determined in the appraisal. The appellant argued that the Illinois Department of Revenue's three year median level of assessment should be applied to the market value.

The board of review's representative argued that the appraiser was not present to testify as to data within the appraisal. In addition, the board argued that the appraisal is consistent with the subject assessment of 16% of market value. The board then rested on the evidence previously submitted.

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. The Board further finds a reduction in the subject's assessment is warranted.

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 not warranted.

In determining the fair market value of the subject property, the PTAB finds the appellant's appraisal does not value the subject as it currently is, but estimates a value on a decidedly speculative use. The appraisal determined the highest and best use as vacant was for condominium development. The appraiser did not determine the highest and best use for the subject as improved because a condominium conversion analysis was not done, but was necessary for this opinion. The PTAB finds that the determination that the subject would be best used as a condominium development a speculative use. The un-rebutted evidence reflects that the subject property, as of the assessment date, was an apartment building and neither vacant land nor a condominium building.

The PTAB finds multiple basic principles of value form the foundation for the concepts of value and highest and best use. These principles include but are not limited to anticipation, balance, change, competition, conformity, consistent use, contribution, increasing and decreasing return, progression and regression, substitution, supply and demand and surplus productivity. (Property Assessment Valuation, 2nd edition 1996, International Association of Assessing Officials). Highest and best use is the reasonable and probable use that supports the highest present value as of the date of the appraisal. For improved properties, the highest and best use is determined for the site, both as if vacant and as if improved. The latter analysis (as improved) assumes that the existing improvement will not be replaced, even though it may not be the best use of the site. Indeed, construction of a new improvement should not be assumed unless the return from the new use more than covers demolition and construction costs. (Property Assessment Valuation, 2nd edition 1996, International Association of Assessing Officials, pages 19 through 25, 32). The appellant's appraiser was not present to testify as to the development of this speculative highest and best use of the property. Further, the appraisal itself is a summary appraisal and does not contain all the data used in estimating a conclusion of value. Finally, the PTAB finds that the appraisal estimates an "As Is" value for the subject based on its highest and best use which differs significantly from its current use. The PTAB finds that without this information, the evidence does not support a differing highest and best use which would result in differing comparables.

The appraisal then valued the subject as though it was vacant and in the process of redevelopment even though there was no evidence of such redevelopment. The limited descriptive data on the subject indicates the subject is improved with a one-story, masonry building. The sale comparables were not similar to the subject's current characteristics. The PTAB further finds various factors such as contributory value of the current improvement, demolition costs, and alternate uses of the improvement were not considered by the appraiser.

Therefore, the PTAB gives no weight to the appellant's appraisal and finds that the appellant failed to present sufficient evidence to meet the burden of proof and a reduction in the 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

Frank J. Grief

Member

Member

Shawn R. Lerski

Member

Member

Mario M. Louie

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: September 23, 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.