

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Wendi Reid  
DOCKET NO.: 05-25516.001-C-1  
06-29219.001-C-1  
PARCEL NO.: 24-29-200-003

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are Wendi Reid, the appellant, by attorney Jim Boyle with the law firm of Crane and Norcross in Chicago and the Cook County Board of Review.

The subject property consists of an irregularly shaped, landlocked, parcel of land totaling 210,395 square feet. 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.

The PTAB finds that these appeals are within the same assessment triennial, involve common issues of law and fact and a consolidation of the appeals would not prejudice the rights of the parties. Therefore, under the *Official Rules of the Property Tax Appeal Board, Section 1910.78*, the PTAB, without objection from the parties, consolidates the above appeals.

In support of the market value argument, the appellant submitted a restricted use appraisal of the subject property with an effective date of January 1, 2005. The appraisal describes the

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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:

<u>DOCKET #</u>	<u>PIN</u>	<u>LAND</u>	<u>IMPROV</u>	<u>TOTAL</u>
05-25516.001-C-1	24-29-200-003	\$92,573	\$0	\$92,573
06-29219.001-C-1	24-29-200-003	\$92,540	\$0	\$92,540

Subject only to the State multiplier as applicable.

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property as adjoined by the Illinois Tollroad to the north and the Sanitation District to the south. There is no access from the west as that parcel is also landlocked. The access to the property is through a gravel train on the adjoining property on the east. The appraisal also states that the property contains two billboards that are leased for \$28,000 per year until 2013. The appraiser inspected the property on February 21, 2006.

The appraiser, who was not present at hearing to testify, applied the income approach to value to arrive at market value. The appraiser did not undertake a highest and best use for the property and noted that based on zoning a very minimal building structure could be erected on the east portion of the property, but that ingress and egress would be an issue. The appraisal noted that the property, at appraisal time, can only be used for signage purposes and/or assemblage with an adjoining property.

The appraisal utilized the subject property's actual income of \$28,000, subtracted the real estate taxes of \$15,352.28 and applied a management and miscellaneous fee of 5% to arrive at a total net income of \$12,015.33. The appraiser then utilized a 10% capitalization rate to estimate a total value for the subject property of \$120,000, rounded.

At hearing, the appellant's attorney argued that this is a unique, narrow strip of land that is landlocked with no road access directly to the property and has no inherent value in and of itself other than value generated from the income of the billboards. Mr. Boyle notes that the appraiser did not do a sales comparison approach to value and argued that this was due to the unique characteristics of the property.

Mr. Boyle acknowledged that the appraisal did not contain any market data to support the management fees and 10% capitalization rate and that the income was the actual income for the subject property.

Mr. Boyle argued that a sales analysis was not done because there are no other similar properties in the market, but he did not have any knowledge as to the appraiser's examination of the market. Mr. Boyle stated that he examined the market for sales of similar properties and found none.

The board of review's representative, Ray Schofield argued that including the property taxes as expenses under the income approach to value is improper to establish the value of the property for property tax purposes.

Mr. Boyle acknowledged that the real estate taxes may not be appropriate for this appeal and argued that if the income of \$28,000 was capitalized at 10%, the value arrived would be \$280,000. Mr. Boyle argued that the PTAB could find this as the

value of the subject property and reduce the assessed value accordingly.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$92,573. The subject's assessment reflects a market value of \$420,786 using the level of assessment of 22% for Class 1 property as contained in the Cook County Real Property Assessment Classification Ordinance. The board also submitted raw sale information on a total of nine comparables. The comparables are industrial properties ranging in size from 22,837 to 72,000 square feet and sold between February 2002 and May 2004 for prices ranging from \$55,000 to \$250,000 or from \$1.19 to \$5.23 per square foot of land. No adjustments were made for locations, size, or amenities. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, Mr. Schofield testified that five of the comparables are known to be sales of vacant land with three of those properties being industrial properties. Mr. Schofield did not know if the remaining four properties were vacant land sales or if any of the properties were landlocked.

In rebuttal, the appellant submitted a letter arguing that the evidence submitted by the board of review contains several inaccuracies, unreliable and unsupported data and is fatally flawed. Mr. Boyle stated that he researched the information for accuracy and found that the document numbers do not correctly reference the properties noted on the grid for those sales. Mr. Boyle argued that the unverified information call the credibility of the evidence into question. He also argued that the sizes of the board of review's suggested comparables were significantly smaller than the subject property.

After considering the evidence and reviewing the testimony, 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 (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 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.

The PTAB finds that the appellant failed to submit sufficient evidence to establish overvaluation of the subject property. The

failure of the appraiser to appear at hearing to testify about the appraisal resulted in unexplained data in the appraisal. The appellant's attorney could not positively state if the appraiser looked for sales in the market; Nor could he identify how the appraiser arrived at the management fees or capitalization rate used in the appraisal. In addition, the appraisal utilized the actual income of the subject property without any statement indicating that this income was in line with the market.

Moreover, little weight is given to the board of review's unadjusted sales comparables. The subject property has several distinct characteristics that would require adjustments in the sales comparables to establish an accurate estimate of value for the subject property. However, the submission of vacant land sales further questions the reliability of the appellant's appraisal and lack of sales information.

Therefore, the PTAB finds that the appellant failed to meet her burden and a reduction is not warranted.

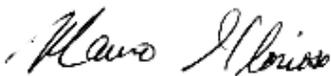
This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



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: February 20, 2009



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.