FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: John Karagiannis
DOCKET NO.: 06-29842.001-C-1 through 06-29842.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are John Karagiannis, the appellant, by attorney John P. Fitzgerald of John P. Fitzgerald, Ltd., 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
06-29842.001-C-1	29-36-201-040-0000	12,274	422	$12,696
06-29842.002-C-1	29-36-201-161-0000	31,204	34,760	$65,964

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcels have a combined land area of 20,019 square feet. The land is improved with a one-story single-tenant brick building operated as a restaurant with a drive-thru lane. The structure was built in 1977 and contains 2,560 square feet of building area with central air conditioning. The site has approximately 20 angled parking spaces. The parcels are classified as Class 5A, commercial, under the Cook County Real Property Assessment Classification Ordinance (hereinafter "Ordinance") and are to be assessed at 38% of market value. The subject is located in Lansing, Thornton Township, Cook County.

The appellant, through legal counsel, submitted evidence that the subject's fair market value is not accurately reflected in its assessment. In support of this argument, the appellant submitted an appraisal report prepared by Kevin P. Burns and Mitchell J. Perlow of Property Valuation Services estimating a fair market value for the subject property of $207,000 as of January 1, 2006.

The appraisers used only the sales comparison approach to value.[1] The purpose of the appraisal was for *ad valorem* tax assessment of the subject property.

On page 2, as to the sales history of the subject property, the appraisers reported the subject was sold in May 2003 for $280,000 as a former Browns Chicken. The appraisers further stated "[t]he buyer was uninformed of the scheduled Torrence Avenue/I-80 reconstruction project which started in 2004 and severely altered the traffic flow on Torrence Avenue."

As to the subject property, on page 15 the appraisers reported the subject to be in below average condition due to stained acoustic tiles; countertop, flooring and walls "in need of repair,"; and "working but dated electrical fixtures." Furthermore, the appraisers opined that the subject suffers from functional inadequacy due to the lack of a sprinkler system, a drive through service area and two cooking prep lines in a space designed for one cook line, and "slippery quarry tile in dining room." The appraisers considered the highest and best use of the property as vacant for commercial use consistent with zoning and as improved for its existing improvements "with the repair of any deferred maintenance if any."

In the sales comparison approach, the appraisers utilized five sales composed of one-story masonry or masonry and frame commercial buildings located in Evergreen Park, Calumet Park and Chicago which were built between 1936 and 1978. One comparable has an unfinished basement. The structures range in size from 2,500 to 8,753 square feet of building area. The comparable parcels range in size from 5,824 to 22,926 square feet of land area with land-to-building ratios ranging from 1.14:1 to 3.97:1. The subject has a land-to-building ratio of 7.8:1. The sales occurred from March 2003 to January 2005 for prices ranging from $150,000 to $607,500 or from $36.53 to $88.87 per square foot of building area including land. The appraisers considered adjustments to the comparables for differences to the subject in market conditions/time, location, size, age, condition and land-to-building ratio. The appraisers ultimately estimated the subject property had an estimated market value under the sales comparison approach bracketed between $79.00 and $82.00 per square foot of building area, including land. The appraisers opined the value of the subject as $81.00 per square foot of building area resulting in a total estimated market value of $207,000, rounded.

Based on this evidence, the appellant requested a reduction in the subject parcels' total assessment to $78,660 to reflect the appraised value conclusion at the 38% level of assessment. (86 Ill.Admin.Code §1910.50(c)(3)).

[1] In the cover letter, the appraisers stated "[i]t is to be understood that this report is considered less reliable than an appraisal report in which all three approaches (or all applicable approaches) to value were utilized."

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final total assessment of the two parcels of $102,342 was disclosed. The subject's total assessment reflects an estimated market value of $269,321 or $105.20 per square foot of building area including land using the Ordinance level of assessment for Class 5A property of 38%.

In support of the subject's estimated market value as reflected by its assessment, the board of review submitted a memorandum addressing sales history of the subject. The board of review reported the May 2003 Trustee's Deed for $280,000 or $109.38 per square foot of building area including land.

In addition, the board of review presented six comparable sales located within a 5-mile radius of the subject in the communities of Hammond, Homewood, Glenwood, Calumet City, Dolton and Lansing. Comparable #6 appears to be in close proximity to the subject. The comparables are improved with single or two-tenant retail "restaurant" buildings that range in size from 1,760 to 4,328 square feet of building area. The parcels range in size from 18,600 to 60,000 square feet of land area. Four of the buildings were constructed between 1981 and 2000. No age was provided for comparables #1 and #5. The sales occurred between April 2003 and August 2007 for prices ranging from $365,000 to $2,300,000 or from $187.32 to $672.33 per square foot of building area including land.

Based on this evidence, the board of review requested confirmation of the subject property'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. The Property Tax Appeal Board further finds a reduction in the subject property's assessment is warranted.

The appellant argued the subject property is overvalued. When market value is the basis of the appeal, the value must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002). The Board finds the appellant has overcome this burden.

In this appeal, the appellant submitted an appraisal report estimating a fair market value for the subject property of $207,000 or $80.86 per square foot of building area including land as of January 1, 2006. The board of review submitted six suggested comparable sales to support its assessed valuation of the subject property and acknowledged that the subject was purchased in May 2003 for $280,000.

Initially, the Property Tax Appeal Board finds the appraisal report provided a more credible estimate of value than the six sales presented by the board of review. While none of the comparable sales presented by either party were identical to the

subject in land area, building size, building age and/or land-to-building ratio, the Board finds the data in the appellant's appraisal was more similar to the subject in these respects than the six sales presented by the board of review. Moreover, the subject's May 2003 sale price of $280,000 is more similar to the sales presented in the appraisal than the sales presented by the board of review. Furthermore, the Property Tax Appeal Board finds the board of review's data consisted of mostly much larger parcels of property which were improved with mostly larger buildings and mostly newer structures than the subject.

In summary, the appraisal submitted by the appellant estimating the subject's market value at $207,000 or $80.86 per square foot of building area including land is the best evidence of the subject's market value in the record and appears supported on the higher end of the range of the comparable sales presented in the appraisal report. Moreover, but for board of review's comparable #6, the appraisal's opinion of value was not substantively challenged by the board of review with market value evidence of properties similar in age and size to the subject. Giving weight to the subject's May 2003 purchase price, the Property Tax Appeal Board finds that the appraisal submitted by the appellant estimating the subject's market value at $207,000 is the best evidence of the subject's market value in the record.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted. Since market value has been determined the 38% level of assessment for Class 5A property under the Cook County Real Property Assessment Classification Ordinance shall apply. (86 Ill.Admin.Code §1910.50(c)(3)).

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

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: April 20, 2012

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.