FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Andrew Mc Candless
DOCKET NO.: 06-31909.001-C-1 through 06-31909.004-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Andrew Mc Candless, the appellant(s); 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
06-31909.001-C-1	12-25-425-025-0000	10,469	1,017	$11,486
06-31909.002-C-1	12-25-425-031-0000	10,093	92,827	$102,920
06-31909.003-C-1	12-25-425-032-0000	10,093	22,927	$33,020
06-31909.004-C-1	12-25-425-033-0000	20,187	56,883	$77,070

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of four parcels of land totaling 16,300 square feet and improved with a 76-year old, part one and two-story, masonry, retail storefront/office building. The improvement contains 9,936 square feet of building area. The appellant 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 this argument, the appellant submitted a "Memo for Valuation". This document included the 2003 assessment for each property identification number, the 2004-2005 assessments, the percentage increase between these years, a listing of the income after adding back interest and depreciation; a capitalization rate, and a statement that the cap rate should not drop from 2004 to the current year of the triennial. The appellant asserted the subject's income does not justify an increase in the assessment. The appellant also included colored photographs of the subject property and copies of the income and expenses on the subject for

2003 through 2006. Based upon this analysis, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's assessment was $224,496. This assessment reflects a market value of $590,778 when using the Cook County Ordinance level of assessment of 38% for class 5A properties. The board also submitted copies of the property characteristic printouts for the subject as well as raw sales data on five properties. The sales occurred between June 2003 and July 2008 for prices ranging from $395,000 to $1,360,000 or from $39.07 to $145.88 per square foot. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant submitted a letter asserting that the 2004 and 2005 decisions should "roll over" to the 2006 assessment year. In addition, he asserts the board of review did not respond to the appellant's argument nor the methodology used to arrive at his requested assessment.

The appellant addressed the board of review's evidence by asserting that the comparable sales were not located near the subject property, are multi tenant buildings, and, for two properties, have extensive land and parking.

After considering the evidence and reviewing the record, 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 PTAB concludes that the evidence indicates a reduction is not warranted.

In determining the market value of the subject, the courts have stated that where there is credible evidence of comparable sales, these sales are to be given significant weight as evidence of market value. Chrysler Corp. v. Illinois Property Tax Appeal Board, 69 Ill.App.3d 207 (2nd Dist. 1979); Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989). In addition, the courts have stated "[w]here the correctness of the assessment turns on market value and there is evidence of a market for the subject property, a taxpayer's submission that excludes the sales comparison approach in assessing market value is insufficient as a matter of law. Cook County Board of Review v. Illinois Property Tax Appeal Board, 384 Ill.App.3d 472 (1st Dist. 2008).

In the present case, the PTAB finds the only party to submit market data was the board of review. These properties sold from June 2003 to July 2008 for unadjusted prices ranging from $395,000 to $1,360,000 or from $39.07 to $145.88 per square foot of building area, including land. The subject's assessment reflects a market value of $590,778 or $59.46 per square foot of building area, including land which is within the range of these comparables.

The PTAB further finds the appellant failed to present any market data. The appellant submitted documentation showing the income of the subject property. The PTAB gives the appellant's argument little weight. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

> [I]t is the value of the "tract or lot of real 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 that 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. Id. at 431.

Actual expenses and income based on vacancy can be useful when shown that they are reflective of the market. Although the appellant's attorney made this argument, the appellant did not demonstrate through an expert in real estate valuation that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income, 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 reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence.

The PTAB that after adjustments to the comparables based on their differing characteristics with the subject, the subject's current assessment is correct and therefore, 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

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 22, 2011

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.