



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

APPELLANT: Mike Al-Charr
DOCKET NO.: 07-20600.001-C-1
PARCEL NO.: 13-14-426-040-0000

The parties of record before the Property Tax Appeal Board are Mike Al-Charr, the appellant, by attorney Gregory J. Lafakis and attorney Ellen Berkshire, with the law firm of Verros, Lafakis & Berkshire, P.C. 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: \$ 15,682
IMPR.: \$ 139,730
TOTAL: \$ 155,592

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 6,867 square feet of land improved with an 81-year old, three-story, masonry building with commercial space on the ground floor and apartments on the upper floors. The improvement contains 18,877 square feet of building area.

The appellant's appeal argues that the subject's market value is not accurately reflected in its assessment as the basis for this appeal.

In support of the market value argument, the appellant submitted copies of Internal Revenue Service income and expense statements for tax years 2004 through 2006 as well as an actual income analysis grid sheet for the subject. Gross income for these three years varied from \$92,006 to \$95,815 with expenses ranging from \$46,268 to \$55,518. Net operating income ranged from \$39,779 to \$45,787. Based on this evidence, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$155,592 was

disclosed. This assessment reflects a market value of \$707,237 or \$37.46 per square foot when the Cook County Ordinance level of assessment for class 3 property of 24% is applied. In addition, copies of the subject's property record cards were submitted.

In support of the subject's market value, raw sales data was submitted for eight properties. The data from the CoStar Comps service sheets reflect that the research was licensed to the assessor's office, but failed to indicate that there was any verification of the information or sources of data. The properties sold from February, 2003, to August, 2006, for prices in an unadjusted range from \$65.89 to \$146.08 per square foot. The buildings contain from 10,400 to 25,800 square feet of building area. The descriptive data indicated that the properties were identified as constituting retail/storefront and retail/residential usage. The printouts also indicate that properties #1, #3, #4, #5, #7 and #8 did not contain any real estate brokers for the parties' in the sales transaction, while properties #2 and #6 contained the same real estate agent for both parties in the sales transaction. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After reviewing the argument as well as considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

When overvaluation is the basis of the appeal, the value of the property must be proved by a preponderance of the evidence. *86 Ill.Admin.Code 1910.63(e)*. 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)*.

The PTAB finds that the appellant's argument that the subject's assessment is excessive when applying an income analysis based upon the subject's actual income and expenses unconvincing and not supported by the evidence in the record.

In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill2d 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. Id.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant failed to proffer any market data to demonstrate that the subject's actual data was reflective of the market, including: market rent, vacancy and collection losses, expenses, and capitalization rates to convert the net income into an estimate of market value.

Moreover, the PTAB gives little weight to the board of review's sale properties as the information provided was raw sales data without adjustments, thereto.

As a result of this analysis, the PTAB finds the appellant has not adequately demonstrated that the subject was overvalued by a preponderance of the evidence and that 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario M. Louie

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: August 19, 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.