



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

APPELLANT: Campbell Real Estate Investments, LLC
DOCKET NO.: 07-20607.001-C-1
PARCEL NO.: 05-07-206-010-0000

The parties of record before the Property Tax Appeal Board are Campbell Real Estate Investments, LLC, the appellant(s), by attorney Timothy E. Moran, of Schmidt Salzman & Moran, 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:

LAND: \$ 106,020
IMPR.: \$ 178,980
TOTAL: \$ 285,000

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of an 18,032 square foot parcel of land improved with a one-story supermarket building containing 8,525 square feet of building area. 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 Audrey Davis of Urban Real Estate Research, Inc. The report indicates Davis is a State of Illinois certified general appraiser and holds an MAI designation. The appraiser indicated the subject has an estimated market value of \$750,000 as of January 1, 2007. The appraisal report indicated that Davis personally inspected the property and then utilized the three traditional approaches to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use is its current use.

Under the cost approach to value, the appraiser analyzed the sale of properties to arrive at an estimate of value for the land at

\$20.00 per square foot or \$360,000, rounded. The replacement cost new was utilized to determine a cost for the improvement at \$973,321. The age life method was used to depreciate the improvement by 62% for a depreciated building value of \$369,862. The land and site improvements were added back in to establish a value under the cost approach of \$750,000, rounded.

In the income approach to value, the appraiser analyzed the rents of five properties, as well as the subject's contract rent, to estimate potential gross income at \$19.00 per square foot gross, or \$161,975. Vacancy and collection were estimated at 5% while expenses were estimated at \$29,349 to arrive at a net operating income of \$125,379. A loaded capitalization rate of 16.7% was utilized to estimate a value under the income approach of \$750,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of nine commercial buildings located within the subject's market. The properties range in age from 9 to 91 years and in size from 2,200 to 37,250 square feet of building area. The comparables sold from January 2003 to May 2005 for prices ranging from \$189,000 to \$3,250,000, or from \$74.54 to \$152.00 per square foot of building area, including land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and differences of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$88.00 per square foot of building area or \$750,000, rounded.

In reconciling the three approaches to value, the appraisal gave primary consideration to the sales comparison approaches to value with secondary consideration given to the income approach to arrive at a final estimate of value for the subject as of January 1, 2007 of \$750,000.

The board of review submitted its "Board of Review-Notes on Appeal" wherein the subject's final assessment of \$311,997 was disclosed. The subject's final assessment reflects a fair market value of \$821,045 or \$96.31 per square foot of building area when the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property is applied. The board also submitted raw sales information on six properties suggested as comparable. The properties range in size from 5,082 to 8,000 square feet and sold from September 2002 to December 2006 for prices ranging from \$675,000 to \$2,900,000 or from \$92.50 to \$451.43 per square foot of building area, including land. Based on this evidence, the board of review requested confirmation of the subject'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 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. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code. § 1910.65(c). Having considered the evidence presented, the Board concludes that a reduction is warranted based on the evidence submitted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the three traditional approaches to value in determining the subject's market value. The Board finds this appraisal to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; estimated a highest and best use for the subject property; utilized appropriate market data in undertaking the approaches to value; and lastly, used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. The Board gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made for market conditions.

Therefore, the Board finds that the subject property had a market value of \$750,000 for the 2007 assessment year. Since the market value of the subject has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property will apply. In applying this level of assessment to the subject, the total assessed value is \$285,000 while the subject's current total assessed value is above this amount. Therefore, the Board finds that a reduction is 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 Morris

Member

J. R.

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 22, 2013

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.