



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

APPELLANT: Paul Patel
DOCKET NO.: 07-21080.001-C-1 through 07-21080.003-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Paul Patel, the appellant(s), by attorney Brian S. Maher, of Weis, DuBrock, Doody & Maher 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-21080.001-C-1	28-21-200-001-0000	17,934	8,845	\$26,779
07-21080.002-C-1	28-21-200-002-0000	24,150	52,108	\$76,258
07-21080.003-C-1	28-21-200-003-0000	24,624	84,823	\$109,447

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 38,268 square feet of land that is improved with a four year old, one-story, masonry, commercial building with 4,610 square feet of building area. The subject's land-to-building ratio is 8.30:1. At the time of this appeal, the subject was occupied by two tenants. One tenant operated a coffee shop with a drive thru, while the other operated a grocery store. The appellant, via counsel, argued that the subject's market value was not accurately reflected in its assessment.

In support of the market value argument, the appellant submitted an appraisal undertaken by Robert S. Kang and Gerald N. Perlow of Property Valuation Services, LLC. The report states that Mr. Kang and Mr. Perlow are both licensed State of Illinois Certified General Real Estate Appraisers, and the Mr. Perlow holds the designation of MAI. The appraisers stated that the subject had an estimated market value of \$485,000 as of January 1, 2006. The appraisal report utilized the sales comparison approach to value to estimate the market value for the subject property. The appraisal states that Mr. Kang personally inspected the subject, and that the subject's highest and best use as improved is its current use, but only as an interim use, as land values were increasing and redevelopment may become more feasible.

Under the sales comparison approach, the appraisers analyzed the sales of five suggested comparables, which are described as one-story, masonry, commercial buildings that range in age from 27 to 36 years old, and in building size from 2,500 to 10,000 square feet of building area. The comparables' land-to-building ratios range from 2.33:1 to 11.65:1. These sales comparables sold from May 2003 to October 2004 for prices ranging from \$150,000 to \$1,040,000, or from \$60.00 to \$130.00 per square foot of building area, including land. Three of the comparables were strip centers, while the remaining two were traditional style restaurants. The appraisers adjusted each of the comparables for pertinent factors. However, no adjustments were made to any of the comparables for physical characteristics. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach of \$105.00 per square foot of building area, including land, or \$485,000, rounded.

The cost approach and the income approach were not developed in the appraisal. The appraisers gave the sales comparison approach primary consideration in valuing the subject. Thus, the appraisers concluded that the subject's appraised value was \$485,000 as of January 1, 2006.

The appraisers also stated that the subject was sold in November 2004 for \$1,250,000. According to the appraisers, this sale was in excess of the subject's true market value because the sale included the business value, furniture, fixtures, and equipment of the coffee shop, and the subject was not marketed on the multiple listing service. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The Cook County Board of Review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$212,484 was disclosed. The subject's final assessment yields a fair market value of \$559,168 when the 38% assessment level for class 5-17 property under the Cook County Real Property Assessment Classification Ordinance is applied. In support of the subject's assessment, the board of review submitted a property record card for the subject, and raw sales data for six commercial buildings located within five miles of the subject. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the assessor's office. However, the board of review included a memorandum which states that the submission of these comparables is not intended to be an appraisal or an estimate of value, and should not be construed as such. The memorandum further stated that the information provided was collected from various sources, and was assumed to be factual, accurate, and reliable; but that the information had not been verified, and that the board of review did not warrant its accuracy.

The suggested comparables contain restaurants or fast food establishments that range in age from 10 to 31 years old, and in

building size from 2,640 to 5,140 square feet of building area. However, the age for Comparable #2 was not disclosed. The comparables' land-to-building ratios range from 6.92:1 to 16.85:1. The properties sold from August 2003 to March 2008 in an unadjusted range from \$443,500 to \$2,275,000, or from \$153.72 to \$520.48 per square foot of building area, including land. The printouts state that the parties in Comparables #2, #3, #4, and #6 did not use a real estate broker. According to the printouts, the buyer in Comparable #3 was a ten year tenant of the building, and had an option to purchase the property, which was exercised. Thus, Comparable #3 was not advertised for sale on the open market.

The board of review also included a warranty deed, which states that the subject was conveyed to Oak Forest Donut Property, Inc in November 2004. The deed contains \$1,250 worth of State of Illinois Real Estate Transfer Tax Stamps. An Illinois Real Estate Transfer Declaration was also included. The Transfer Declaration states that the property was advertised for sale or sold using a real estate agent. Furthermore, Line 11 of the Transfer Declaration states that the full actual consideration paid was \$1,250,000. Line 12a is blank, indicating that there was no personal property included in the purchase price. On Supplemental Form A to the Transfer Declaration on Line 6, the purchaser stated that the purchase price did not include a transfer of personal property. Furthermore, in Line 8 of the Supplemental Form, the purchaser stated that the purchase price of \$1,250,000 was a fair reflection of the subject's market value on the sale date. All three documents were filed with the Cook County Recorder of Deeds on November 30, 2004. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant reaffirmed the evidence previously submitted. In addressing the November 2004 sale of the subject, the appellant's attorney, Brian Maher, was unable to articulate why business value, which may have been included in the sale, was not deducted from the sale price in Line 11 on the Transfer Declaration. The Cook County Board of Review Analyst, Michael Terebo, reaffirmed the evidence previously submitted.

After reviewing the record and considering the evidence, the Property Tax Appeal Board (the "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. 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). "[A] contemporaneous sale between parties dealing at arm's length is not only relevant to the question of fair cash market value, [citations] but would be practically conclusive on the issue of whether an assessment was at full value." People ex rel. Korzen v. Belt Ry. Co. of Chi., 37 Ill. 2d 158, 161 (1967). Having considered the evidence presented, the Board finds that a reduction is not warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the sale of the subject in November 2004 for \$1,250,000. The Board finds that the appraisers' analysis regarding the sale differed significantly from the documents submitted by the appellant to the Cook County Recorder of Deeds. In reconciling these differences, the Board finds the documents submitted to the Recorder of Deeds are more persuasive. The Board finds as such because, as stated plainly on the Transfer Declaration, willfully falsifying information on that form may subject the individual to criminal penalties. The appraisers were under no such burden, and, moreover, did not submit any evidence to support their claim that the November 2004 sale was not at market value. The warranty deed supports the sale price as it contains \$1,250 worth of State of Illinois Real Estate Transfer Tax Stamps. These taxes are equal to 0.10% of the sale price, excluding any personal property. 35 ILCS 200/31-10. \$1,250 divided by 0.10% equates to \$1,250,000, which is the purchase price found on the transfer declaration and in the appraisal. Finally, the sale is within 25 months of the 2007 lien date of January 1, 2007. The Board finds that the subject's sale is closely related in time, and should be considered in properly determining the subject's market value. For these reasons, the Board finds 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.



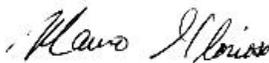
Chairman



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: February 22, 2013



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.