



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

APPELLANT: Scott Rosenzweig
DOCKET NO.: 07-21662.001-C-1
PARCEL NO.: 20-32-216-042-0000

The parties of record before the Property Tax Appeal Board are Scott Rosenzweig, the appellant, by attorney Jacques F. Heilingoetter, Jr., of Heilingoetter & Associates in Harwood Heights; 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: \$ 64,748
IMPR.: \$ 273,868
TOTAL: \$ 338,616

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 30,752 square foot, one-story, brick and concrete, retail strip with storefront, storage and warehouse space. It is 55 years old and is situated on a 30,980 square foot parcel. The subject is currently occupied by Family Dollar store as well as four other tenants and contains 16,616 square feet (55%) of retail space and 14,136 square feet (45%) of storage/shop area. The tenants include a beauty salon, appliance store, car wash and bus company. 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 Brian T. McNamara of Brian T. McNamara & Associates, Ltd. The report indicates McNamara is a State of Illinois certified general appraiser. The appraiser indicated the subject has an estimated market value of \$750,000 as of January 1, 2007. Mr. McNamara indicated that he personally inspected the subject property. The appraisal report utilized two of the three traditional approaches to value to estimate the

market value for the subject property, that is, the income approach and the sales comparison approach. The appraisal finds the subject's highest and best use is its existing use. Additionally, the appraiser noted the sale of the subject in February 2006 for \$950,000. He argued that the price paid was at a premium as Family Dollar wanted this particular location and market, with no further explanation.

Under the income approach to value, the appraiser analyzed the rental rates of the subject property as well as eight additional rental comparables from two nearby strip centers. The appraiser determined that the four subject rental rates are reasonable while Family Dollar's rent is considered above market. He then determined that an appropriate rental rate would be \$3.59 per square foot on a net basis, yielding a potential gross income of \$110,253. Vacancy, collection losses, and repair reserves of 17% were deducted to arrive at a net operating income of \$91,510. The band of investment technique was utilized to establish a capitalization rate of 12%. The appraiser then arrived at an estimate of value under the income approach of \$760,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of six single or multi-story, storage shop buildings, free-standing retail buildings or multi-unit strip centers located in Chicago. Additionally, the appraiser included the listing of a seventh property. The properties contain between 2,196 and 83,194 square feet of building area. The comparables sold from May 2004 to August 2007 for prices ranging from \$54,000 to \$2,000,000, or from \$18.63 to \$32.00 per square foot of building area, including land. The appraiser then 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 \$19.00 per square foot for the shop/storage area and \$29.00 per square foot for the retail space, or a total of \$750,000 rounded.

In reconciling the two approaches to value, the appraisal gave most consideration to the sales comparison approach to arrive at a final estimate of value for the subject as of January 1, 2007 of \$750,000.

At hearing, the appellant's attorney argued that the appellant paid a premium for the subject property. He also noted that sale comparables #2, #3 and #7 in the appraisal are most similar to the subject and should be given the most consideration.

The board of review submitted its "Board of Review-Notes on Appeal" wherein the subject's final assessment of \$361,000 was disclosed. The subject's final assessment reflects a fair market value of \$950,000 or \$30.89 per square foot of building area when the Cook County Real Property Assessment Classification Ordinance level of assessments of 38% for Class 5a property is applied. The board also submitted raw sales information on eight retail properties suggested as comparable. The properties sold from

March 2002 to December 2007 for prices ranging from \$320,000 to \$1,975,000 or from \$31.07 to \$88.24 per square foot of building area, including land. In addition, the board of review submitted a map showing the location of the sale comparables in relation to the subject property. The evidence reflects that the comparables are located in the South Chicago submarket, within two and one-half miles of the subject.

In addition the board proffered evidence of the sale of the subject in February 2006 for \$950,000, or \$30.89 per square foot, including land. The board noted that this purchase included three vacant parcels of land identified by parcel numbers 20-32-123-038 through -040. The board included county printouts that indicated these parcels had a total assessed value at the time of purchase of \$12,959, or a market value of \$58,905 when the Cook County Real Property Assessment Classification Ordinance level of assessment of 22% for Class 1 property is applied. This leads to a net purchase price for the subject parcel of \$891,095, or \$28.98 per square foot, including land. The board included a copy of the recorded Warranty Deed indicating the sale occurred in February 2006 for a price of \$950,000 for the four parcels. This price is confirmed by the City of Chicago Real Estate Transfer Tax stamps affixed to the Deed. The board also submitted a copy of the PTAX-203 Illinois Real Estate Transfer Declaration confirming the sale date and price. Additionally, the form indicates that this property was advertised for sale or a real estate agent was used in the transaction. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the board of review's representative, Chris Beck, rested on the evidence previously submitted.

After hearing the testimony and considering the evidence, the Board finds it has jurisdiction over the parties and the subject matter of the 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 warranted.

The Board finds the appraiser was not present at the hearing to testify and be cross-examined regarding the appraisal process and the conclusions therein. Therefore, the Board finds that the best evidence of the subject's market value is the board's evidence of the sale of the subject in February 2006 for a net price of \$891,095. This sale price was confirmed in the appellant's appraisal as well, with no evidence that a premium was paid for the subject property. In fact, the subject's sale price at \$28.98 per square foot, including land, is within the range established by the appraiser's sale comparables and below the range established by the board of review.

Based on this record the Board finds that the subject property had a market value of \$891,095 for tax year 2007. Since the market value of the subject has been established, the Cook County Real Property Classification Ordinance level of assessments for Cook County Class 5a property of 38% will apply. In applying this level of assessment to the subject, the Board finds that a reduction in the appellant's assessment to \$338,616 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

Frank J. Huff

Member

Member

Mario M. Louie

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: March 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.