



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

APPELLANT: Squire Court Shopping Center  
DOCKET NO.: 07-25055.001-C-1 through 07-25055.004-C-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Squire Court Shopping Center, the appellant, by attorney Brian P. Liston, of Law Offices of Liston & Tsantilis, 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 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-25055.001-C-1	02-27-207-008-0000	69,160	122,660	\$191,820
07-25055.002-C-1	02-27-207-009-0000	69,160	110,075	\$179,235
07-25055.003-C-1	02-27-207-010-0000	69,160	110,075	\$179,235
07-25055.004-C-1	02-27-207-013-0000	25,410	0	\$25,410

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of four parcels of land improved with a 19-year old, one-story, masonry-constructed, commercial building used as a neighborhood shopping center.

The appellant raised two arguments: that the subject's land and improvement size was incorrect; and that the market value of the subject property is not accurately reflected in the property's assessed valuation as the bases of this appeal.

In support of the market value argument, the appellant's pleadings included a summary appraisal of the subject property with an effective date of January 1, 2007 undertaken by Patrick Maher, who holds the designation of State Certified General Real Estate Appraiser. The appraiser estimated a market value for the subject of \$1,515,000.

As to the subject, the appraisal indicated that the subject's site was inspected on May 14, 2008 and that the property rights appraised for the subject are the unencumbered fee simple estate.

The appraisal also stated that where possible the suggested comparables were also inspected. The subject was found to be a neighborhood shopping center with 18,991 square feet of gross building area sited on four land parcels consisting of 98,000 square feet of land resulting in a land-to-building ratio of 5.16:1. The subject's improvements were characterized as in average condition with an outdated exterior finish.

The appraiser indicated that the subject's highest and best use as vacant was for retail development, while the highest and best use as improved was for its current use. The appraiser developed all three of the traditional approaches to value. The estimated market value under: the cost approach was \$1,510,000; the income approach was \$1,510,000; while under the sales comparison approach the estimate was \$1,520,000. The reconciliation of these approaches reflect a market value of \$1,515,000.

In the cost approach, the appraiser used four land sales to estimate the subject's site value. They range in size from 21,780 to 283,140 square feet and in price from \$4.74 to \$12.63 per square foot. An estimate of the subject's site value was \$6.75 per square foot or \$660,000, rounded. Using the Marshall Swift Valuation Service, the appraiser estimated a replacement cost new of \$85.00 per square foot or \$1,614,235. Including indirect costs of 5% and entrepreneurial incentives of 10% resulted in a total cost new of \$1,856,371. Less total accrued depreciation of 56.2% resulted in a depreciated value of the improvements at \$822,520. Adding the contributory site value and the land value resulted in a market value estimate for the subject of \$1,510,000, rounded.

In the income approach, the appraiser referred to five comparables with a range of asking rents from \$12.00 to \$31.61 per square foot. The properties ranged from 795 to 10,000 square feet of rental area. The appraiser estimated the subject's potential gross income at \$24.00 per square foot or \$455,784 less a vacancy and collection loss of 8%. This resulted in an effective gross income of \$419,321. Total expenses were estimated at \$134,912. Deducting this amount as well as replacements for reserves resulted in a net operating income of \$249,360. A loaded capitalization rate of 16.50% was applied reflecting a market value of \$1,510,000, rounded.

Under the sales comparison approach to value, the appraiser utilized five sale comparables, four of which are multi-tenant shopping centers. These comparables sold from March, 2004, through February, 2007, for prices that ranged from \$44.54 to \$93.97 per square foot. The properties were improved with a one-story, masonry building. They ranged: in improvement size from 12,900 to 63,972 square feet of building area and in age from 15 to 43 years. After making adjustments to the suggested comparables, the appraiser estimated that the subject's market value was \$80.00 per square foot using 18,991 square feet of building area or \$1,520,000, rounded, as of the assessment date.

In reconciling these approaches to value, the appraiser placed primary emphasis on the income approach with secondary emphasis on the cost approach in opining a final market value for the subject of \$1,515,000. As a result of this analysis, the appellant requested a reduction in the subject's valuation.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$611,572 for tax year 2007. The subject's assessment reflects a market value of \$1,609,400 using the Cook County Ordinance Level of Assessment for Class 5A, commercial property of 38%. As to the subject, the board submitted copies of the subject's property record cards along with a cover memorandum. The memorandum stated that the subject's building is comprised of 21,814 square feet of building area sited on four parcels containing 84,000 square feet of land.

In support of the subject's market value, raw sales data was submitted for 6 commercial properties designated as either retail or general free-standing space. 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 June, 2001, to October, 2004, in an unadjusted range from \$62.50 to \$368.86 per square foot of building area. The properties contained one-story, masonry buildings that ranged in size from 19,200 to 24,630 square feet and in age from 3 to 28 years.

Moreover, the board of review's cover memorandum stated that the data was not intended to be an appraisal or an estimate of value and should not be construed as such. The memorandum indicated that the information provided therein had been collected from various sources that were assumed to be factual and reliable; however, it further indicated that the writer hereto had not verified the information or sources and did not warrant its accuracy. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments and reviewing the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. After the evidentiary submissions, the parties waived their right to a hearing.

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, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> 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 Board concludes that the appellant has met this burden and that a reduction is warranted.

The Board finds the best evidence of the subject's land and building size as well as market value to be the appellant's appraisal. The Board finds based upon this appraisal that the subject's improvement contains 18,991 square feet of building area sited on four parcels containing 98,000 square feet of land as determined by the appraiser's inspection.

Further, as to the subject's market value, the Board finds that the appellant's appraiser utilized all three traditional approaches to value in developing the subject's market value. The Board also finds this appraisal to be persuasive for the appraiser: has experience in appraising and assessing property; personally inspected the subject property; estimated a highest and best use for the property; and utilized market data in undertaking the cost, income and sales comparison approaches to value, while making adjustments to the comparables where necessary. In contrast, the Board finds that the county submitted raw sales data on properties.

Therefore, the Board finds that the subject property contained a market value of \$1,515,000 for tax year 2007. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5a, commercial property of 38% will apply. 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.

*Donald 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: July 19, 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.