



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

APPELLANT: Catherine Court Condominium Industrial
DOCKET NO.: 07-25896.001-I-1 through 07-25896.024-I-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Catherine Court Condominium Industrial, the appellant(s), by attorney Joanne Elliott, of Elliott & Associates, P.C. in Des Plaines; 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
07-25896.001-I-1	03-10-201-075-1001	7,818	41,733	\$49,551
07-25896.002-I-1	03-10-201-075-1002	4,718	25,183	\$29,901
07-25896.003-I-1	03-10-201-075-1003	7,043	7,518	\$14,561
07-25896.004-I-1	03-10-201-075-1004	7,032	37,540	\$44,572
07-25896.005-I-1	03-10-201-075-1005	7,194	38,403	\$45,597
07-25896.006-I-1	03-10-201-075-1006	5,324	28,421	\$33,745
07-25896.007-I-1	03-10-201-075-1007	5,252	28,035	\$33,287
07-25896.008-I-1	03-10-201-075-1008	5,252	28,035	\$33,287
07-25896.009-I-1	03-10-201-075-1009	5,252	28,035	\$33,287
07-25896.010-I-1	03-10-201-075-1010	6,337	33,825	\$40,162
07-25896.011-I-1	03-10-201-075-1011	576	3,075	\$3,651
07-25896.012-I-1	03-10-201-075-1012	5,285	28,213	\$33,498
07-25896.013-I-1	03-10-201-075-1013	6,267	33,455	\$39,722
07-25896.014-I-1	03-10-201-075-1014	6,267	33,455	\$39,722
07-25896.015-I-1	03-10-201-075-1015	6,267	33,455	\$39,722
07-25896.016-I-1	03-10-201-075-1016	6,267	33,455	\$39,722
07-25896.017-I-1	03-10-201-075-1017	6,267	33,455	\$39,722
07-25896.018-I-1	03-10-201-075-1018	6,267	33,455	\$39,722
07-25896.019-I-1	03-10-201-075-1019	6,267	33,455	\$39,722
07-25896.020-I-1	03-10-201-075-1020	6,267	33,455	\$39,722
07-25896.021-I-1	03-10-201-075-1021	6,832	36,469	\$43,301
07-25896.022-I-1	03-10-201-075-1022	6,832	36,469	\$43,301
07-25896.023-I-1	03-10-201-075-1023	6,686	35,690	\$42,376
07-25896.024-I-1	03-10-201-075-1024	6,835	36,484	\$43,319

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 123,436 square feet of land improved with a 21-year old, one-story, masonry, industrial, condominium building containing 23 units. The appellant, via counsel, argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant submitted an Income Analysis Consulting Report undertaken by Richard J. Kopacz, Gary M. Skish, and Gary T. Peterson with First Real Estate Services, Ltd. The report indicates Kopacz is an appraiser while Skish and Peterson are State of Illinois certified real estate appraisers and that Peterson holds the MAI designation. The analysis indicated the subject has an estimated market value of \$2,285,000 as of January 1, 2007. The report utilized an income analysis to estimate the market value for the subject property.

The analysis indicates the analysis does not constitute an appraisal, but simply an evaluation of an annual potential cash flow that could be reasonably anticipated from the rental operation of the commercial building. The appraisal lists the sales of several units within the building from May 2002 through February 2008.

In describing the income analysis, the appraisal lists the subject property as identical apartment buildings. The appraisers analyzed the rent of five properties that were advertised for lease at the time of the writing of the report. These properties range: in age from 28 to 35 years; in lease size from 1,788 to 2,904 square feet of rentable area; and in listing prices from \$6.28 to \$7.96 per square foot of rentable area. The appraiser estimated a market rent for the subject of \$7.50 per square foot of building area for a potential gross of \$265,808. Vacancy and collection were estimated at 8%. The appraisal indicated the subject had an actual vacancy rate of 6.3%, but did not elaborate on why the rate of 8% was chosen. This reflects an effective gross income of \$244,543. Stabilized expenses were estimated at 8% or \$27,537 for a net operating income of \$247,006. Using the band of investment method and a review of market surveys, a capitalization rate of 9.5% was utilized to estimate a value based on the subject's income of \$2,285,000, rounded.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment of \$885,172 was disclosed. The subject's final assessment reflects a fair market value of \$2,458,811 when using the Cook County Ordinance Level of Assessment for Class 5b, industrial property, of 36%.

In support of the subject's assessment, the board of review presented sales information on 15 units within the subject's building that sold from March 1995 to June 2007 for prices ranging from \$82,500 to \$229,000. In addition the board of review included sales information on four properties suggested as comparable. These properties sold from August 2003 to August 2008 for prices ranging \$160,000 to \$440,000 or from \$81.56 to \$125.11 per square foot of building area.

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. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant submitted a letter asserting that the board of review submitted sales of units within the subject's building while the appellant submitted an appraisal.

After considering the evidence and reviewing the record, the Property Tax Appeal 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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd 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 PTAB concludes that the evidence indicates a reduction based on market value is not warranted.

The Board finds the appellant's economic analysis flawed in regards to its lack of market sales data. This report did not include any market sales or justify why sales were not included within the analysis. Especially considering the subject consists of owner-occupied, industrial, condominium units. The court has held that "[w]here the correctness of the assessment turns on market value and there is evidence of a market for the subject property, a taxpayer's submission that excludes the sales comparison approach in assessing market value is insufficient as a matter of law." Cook Cnty. Bd. of Review v. Ill. Prop. Tax Appeal Bd., 384 Ill. App. 3d 472 at 484 (1st Dist. 2008). The Illinois Appellate Court recently revisited this issue in Bd. of Educ. of Ridgeland Sch. Dist. No. 122, Cook Cnty. v. Prop. Tax Appeal Bd., 2012 IL App. (1st) 110,461 (the "Sears" case). In Sears, the court stated that, while the use of only one valuation method in an appraisal is not inadequate as a matter of law, the evidence must support such a practice and the appraiser must

explain why the excluded valuation methods were not used in the appraisal for the Board to use such an appraisal. Id. at ¶ 29.

In this case, the appraisers provided no plausible reasons for excluding these valuation methods. Moreover, the report indicates several of the subject units sold from 2002 through 2008. In addition, the board of review included these sales as well as sales of other comparables properties which support the subject's assessment.

Therefore, the Board finds that reliance on the appellant's economic analysis would be deficient as a matter of law, and, thus, no reduction is warranted based on the appellant's market value argument.

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: December 20, 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.