FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Donato Miroballi
DOCKET NO.: 07-26821.001-C-2 through 07-26821.009-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Donato Miroballi, the appellant(s), by attorney Howard W. Melton, of Howard W. Melton and Associates 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
07-26821.001-C-2	19-23-328-036-0000	6,531	684	$7,215
07-26821.002-C-2	19-23-328-037-0000	6,531	23,116	$29,647
07-26821.003-C-2	19-23-328-038-0000	6,531	25,428	$31,959
07-26821.004-C-2	19-23-328-039-0000	6,531	22,677	$29,208
07-26821.005-C-2	19-23-328-040-0000	6,531	26,801	$33,332
07-26821.006-C-2	19-23-328-041-0000	6,531	32,985	$39,516
07-26821.007-C-2	19-23-328-042-0000	6,531	41,885	$48,416
07-26821.008-C-2	19-23-328-043-0000	9,386	50,383	$59,769
07-26821.009-C-2	19-23-328-051-0000	6,792	677	$7,469

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of nine parcels of land totaling 29,916 square feet and improved with a 47-year old, one-story, masonry, commercial building. 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 Jennifer C. Soto and James A. Matthews of James A. Matthews, Inc. The report indicates Soto and Matthews are State of Illinois certified real estate appraisers. Matthews was the appellant's witness. Matthews testified he

received his appraisal license in 1993 and has worked as an independent contractor since then. He further stated he has been an expert witness in other matters before the PTAB. He opined his expertise was in valuing small, commercial properties. Matthews testified he reviewed the appraisal for the subject that was performed by Jennifer Soto.

As to describing the subject, Matthews testified the subject is a class 5-17, one story commercial building. He further testified that in his understanding, all the comparable properties were also class 5-17 and located on the south side and are basically in similar condition. Matthews testified he did not visit or inspect the subject property or the comparable properties. Matthews then went on to briefly describe the subject's neighborhood.

The appraisal indicated the subject has an estimated market value of $450,000 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 finds the subject's highest and best use is to maintain and renovate the current improvements. The appraisal lists the subject as containing 15,077 square feet of building area.

Under the sales comparison approach, the appraiser analyzed the sales of six masonry, one-story, commercial buildings. The properties contain between 7,500 and 11,739 square feet of building area. The comparables sold from January 2001 to February 2003 for prices ranging from $200,000 to $350,000, or from $21.30 to $30.70 per square foot of building area, including land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser developed an adjusted sales range of $24.07 to $37.50 per square foot of building area, including land. The appraiser then estimated a value for the subject under the sales comparison approach of $30.00 per square foot of building area, including land or $450,000, rounded.

As to the sales dates, Matthews testified that the sales do appear to be a little bit dated and he could not speak to the methodology used in the appraisal. He noted that the appraisal made upward adjustments for the time of sale and that, if he could remember, the market was increasing prior to 2006. Matthews testified the purpose of the appraisal was to establish fair market value for ad valorem purposes.

Matthews testified he trained the appraiser on this report, Jennifer Soto. He testified he took her out on 20 or 30 inspections with him and when he thought she could handle this type of report, he let her go out and inspect the property and that he then reviewed and signed the reports.

Under cross-examination, Matthews acknowledged that there is a statement in the appraisal that the reliability of the value conclusion may be impacted by any departures from USPAP. He

testified that by using only the sales comparison approach, the value may be different, but he stated this was not a declaration the value would be different.

Matthews acknowledged that he did not review the report prior to the hearing. His testimony was that he guessed he reviewed and signed the report in February 2007. He acknowledged he did not know the exact date the report was written and guessed that it would have been done near the inspection date.

As to the highest and best use, Matthews deferred to whatever was written in the appraisal.

In reviewing the appraisal, Matthews testified he looked over the sales and made sure the sales were correct by eyeballing the details. He clarified that he spent time reading through the report to make sure it made sense to the client.

As to the sales information, Matthews testified he reviewed them to make sure they passed a common sense test. He testified he looks for errors in the report. He testified he was unsure of whether he verified the sales information with any other sources, such as CoStar Comps. He could not remember any information as to whether he reviewed the descriptive information on the comparables for accuracy.

Matthews again acknowledged that the sales dates for the comparables were older. He did not know why newer sales were not used by Soto. He was unsure of why Soto used the percentages she used for the adjustments to the sales comparables for date of sales. He also acknowledged that the market was increasing during this time period.

With regard to the purpose of the appraisal as written on page nine of the appraisal, Matthews testified that the statement regarding the assumption that taxes will be reduced to equitable levels would not be included in all appraisals. He acknowledged that the statement is confusing and could be misread, but that the appraisal was for establishing market value and not for reducing the assessment.

On redirect, Matthews opined that there is nothing unusual in making adjustments for sale dates that are older than the date of value. He opined that appraising properties and estimating a value is both an art and a science.

In response to a question by the hearing officer as to the subject's size, Matthews could not speak to how Soto arrived at the subject's size.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $286,531 was disclosed. The subject's final assessment reflects a fair market value of $754,029 or $53.78 per square foot of building area using 14,021 square feet of building area when the Cook County

Real Property Assessment Classification Ordinance level of assessments of 38% for Class 5A properties is applied. The board also submitted raw sales information on four properties suggested as comparable. The properties ranged in size from 12,000 to 14,000 square feet of building area and sold from April 2004 to May 2008 for prices ranging from $600,000 to $1,850,000 or from $48.39 to $154.17 per square foot of building area, including land. The board of review did not call any witnesses and rested on the evidence already submitted.

As to the subject's size, the board of review submitted the property record card for the subject with a schematic showing the dimensions of the subject improvement. These dimensions reflect a size of 14,021 square feet. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant's attorney argued that the board of review submitted a sale after the lien date in question. He further argued that there was no information as to how the comparables from the board were chosen, but that these comparables support a reduction for the subject.

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.

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, 331Ill.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 is not warranted.

As to the subject improvement's size, the PTAB finds the appellant failed to prove the subject's square footage as listed by the county was incorrect. The witness testified he was not sure how the square footage was arrived at in the appraisal. Moreover, the PTAB finds the board of review submitted a property record card showing the dimensions of the improvement. Therefore, the PTAB finds the subject contains 14,021 square feet of building area.

In determining the fair market value of the subject property, the PTAB finds the conclusion of value arrived at in the appraisal unreliable. The appellant's witness testified he had no personal knowledge as to the comparables used in the appraisal and that he reviewed the appraisal to ensure the data was accurate by "eyeballing" the details. He testified he would read the report to make sure it made sense. He further testified he does not

remember if he verified any of the sales. Matthews did not even review this report prior to his testimony at hearing to refresh his recollection even though, as he stated in the hearing, the report was written several years prior to the hearing.

In the sales comparison approach, the witness testified he did not inspect the comparable properties. He testified he felt they were relevant because they are classified the same as the subject. Matthews acknowledged that the sales were old. However, he could not adequately explain the adjustments made to the sales and assumed they were correct and based on the market. He further testified that the report states if the other two traditional approaches to value were done, the final conclusion of value may have changed. Therefore, the PTAB gives no weight to the conclusion of value estimated in the appraisal, but will review the raw sales data in the sales comparison approach.

The six sales comparables sold between January 2001 and February 2003. The PTAB finds these sales receive diminished weight because their sale dates are too far removed from the 2007 lien date to accurately reflect market value.

The board of review provided information on four sales. The PTAB finds sales #1 occurred in 2008 and gives this sale diminished weight due to the date of the sale.

The remaining comparables sold in between April 2004 and November 2007 for prices ranging from $48.39 to $154.17 per square foot of building area, including land. The subject's assessment reflects a market value of $53.78 per square foot of building area which is supported by these sales. Based on this analysis, the PTAB finds that a change in the subject's assessment 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

Acting 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: January 20, 2012

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.