



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

APPELLANT: Rick E. Heidner
DOCKET NO.: 07-27127.001-C-1
PARCEL NO.: 10-15-407-056-0000

The parties of record before the Property Tax Appeal Board are Rick E. Heidner, the appellant(s), by attorney Eugene L. Griffin, of Eugene L. Griffin & Associates, Ltd. 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:

LAND: \$60,670
IMPR: \$271,830
TOTAL: \$332,500

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a 32-year old, two-story, masonry constructed, multi-tenant professional office building. The appellant 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's pleadings included a summary appraisal of the subject property with an effective date of January 1, 2007 undertaken by Jason D. Zaley who holds an MAI/MBA designation and is a certified general real estate appraiser and Mary Maresh-Zaley. The appraisers estimated a market value for the subject of \$875,000.

The appraisal indicated that the building contains 12,110 square feet of building area and 15,648 square feet of land.

The appraisers developed all of the three traditional approaches to value. The appraisers developed the sales comparison, income capitalization, and cost approaches to value.

Under this sales comparison approach to value, the appraisers utilized five sale comparables. These comparables sold from May 2004 through January 2008 for prices that ranged from \$740,000 to

\$1,200,000 or from \$61.08 to \$80.00 per square foot. The properties ranged in building size from 10,500 to 19,645 square feet of building area. After making adjustments to the suggested comparables, the appraisers estimated that the subject's market value was \$70.00 per square foot or \$850,000 rounded, as of the January 1, 2007.

Under the income approach, the appraisers analyzed five lease/rental comparables and estimated the subject's potential net operating income at \$150,284.

The appraiser noted an overall capitalization rate for the subject based upon its size, condition and location of 16.65%. Applying the overall capitalization rate of 16.65% to the net operating income resulted in a final value under the income approach of \$905,000, rounded.

Lastly, under the cost approach, the appraisers analyzed four land sales to estimate the value of the land at \$447,000, rounded. The reproduction cost new was determined to be \$2,170,588. The appraisers depreciated the improvement by 75% and added 10% for entrepreneurial profit for a depreciated value of the improvement of \$569,779. Adding on-site improvements of \$10,000 and land value of \$447,000 resulted in a market value estimate under this approach of \$1,025,000, rounded.

The appellant's appraisers indicated the most weight was accorded to the income and the sales comparison approaches to value in reconciling a final value estimate of \$875,000. Based upon this data, the appellant requested a reduction in the subject's market value.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$358,359 for the tax year 2007. The subject's assessment reflects a market value of \$943,050 or \$76.53 per square foot using the Cook County Ordinance Level of Assessment for Class 5, commercial property of 38%.

In support of the subject's market value, raw sales data was submitted for five office/medical properties. 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 August 2003, to December 2008, in an unadjusted range from \$850,000 to \$2,500,000 or from \$85.00 to \$208.33 per square foot of building area. The properties contained buildings that ranged in size from 10,000 to 15,000 square feet. No sale price was submitted for sale comparable #5. In addition, the board of review's evidence states that the subject contains 12,322 square feet of building area and 15,966 square feet of land per the property card. No further information regarding calculation of square footage. 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.

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 (3d Dist. 2002; Winnbago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d (2d 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 evidence indicates a reduction in the subject's assessment is warranted.

In determining the fair market value of the subject property, the Board accorded diminished weight to the properties submitted by the board of review as the evidence provided unconfirmed, raw data on sales.

Further, as to the subject's market value, the Board finds that the appellant's appraisers 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 appraisers: have extensive 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 approaches to value; and lastly, used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. Lastly, the square footage as cited in the appraisal shall be deemed correct due to the appraisers personal inspection of the property.

Therefore, the Board finds that the subject property contained a market value of \$875,000 for the tax year 2007. Since the market value of the subject has been established, the Cook County Ordinance level of assessment for Class 5, commercial property of 38% will apply. In applying this level of assessment to the subject, the total assessed value is \$277,400, while the subject's current total assessed value is above this amount at \$358,359. 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: April 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.