



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

APPELLANT: 400 N. LaSalle LLC
DOCKET NO.: 07-27380.001-C-2
PARCEL NO.: 17-09-259-022-1001

The parties of record before the Property Tax Appeal Board are 400 N. LaSalle LLC, 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 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: \$25,469
IMPR.: \$36,750
TOTAL: \$62,219

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a one-story commercial condominium unit in a 448 unit residential condominium building. The appellant, via counsel, argued both the market value of the subject property is not accurately reflected in the property's assessed valuation and that there was unequal treatment in the assessment process of the improvement as the bases of this appeal.

In support of the market value argument, the appellant submitted a copy of the income and expense statement for the years 2005 through 2007, an income and expense statement affidavit attesting to the income and expenses for 2005 through 2007, a copy of a rent roll for 2007, and a copy of the restaurant lease. In addition, the appellant's attorney developed a capitalization rate to apply to the net operating income to arrive at a market value for the subject.

In support of the equity argument, the appellant submitted assessment data and descriptions on three properties suggested as

comparable to the subject and located within one-half mile from the subject. The data in its entirety reflects that the properties are improved with one-story, masonry commercial buildings. The properties range: in age from 19 to 21 years; in size from 1,937 to 3,359 square feet of building area; and in improvement assessments from \$2.85 to \$7.11 per square foot of building area.

The appellant lists the subject as containing 2,878 square feet of building area. In support of this, the appellant submitted the property record card for the subject property which includes a statement from the building superintendent that the commercial unit contains 3,000 square feet. In addition, this document indicates a county official inspected the property in October 2006, drew a diagram of the building, included a schematic of the commercial unit and indicated this unit contained 2,450 square feet of building area. Based on this evidence, the appellant requested a reduction in the subject's assessment.

At hearing, the owner of the subject property, Peter M. Bolsoni, testified he leased the subject in 2007 as a restaurant. He testified that the subject was raw space when he rented it and he built it out for a restaurant. Mr. Bolsoni testified that the property was listed on the market for sale and he purchased it in July 2008. Mr. Bolsoni testified to the income and expenses for the subject property.

Mr. Bolsoni testified he was familiar with the equity comparable properties submitted in evidence. He testified that comparable #1 is located within two blocks of the subject, but on a "hard corner" which, in his opinion, is a golden location. He testified the subject is located within the middle of the block. He testified that comparable #2 is located more in the Gold Coast neighborhood than in the subject's neighborhood and is a freestanding building. He further testified that comparable #3 is located on a "hard corner."

On cross-examination, Mr. Bolsoni acknowledged that the three comparables are all older than the subject property, but would not agree that a new building is worth more than an older one.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's improvement assessment was \$148,627, or \$52.00 per square feet of building area with a total assessment of \$174,096. The subject's final assessment reflects a fair market value of \$458,096 when the Cook County Real Property Assessment Classification Ordinance level of assessment of 38% for Class 5a property is applied.

In support of the assessment, the board submitted copies of the property record card for the subject as well as raw sales data on eight properties. The sales occurred between November 2002 and February 2008 for prices ranging from \$275,000 to \$3,500,000 or from \$130.95 to \$732.52 per square foot of building area. In addition, the board presented information on the sale of the

subject property in July 2008 for \$625,000. The evidence indicates the subject contains 2,450 square feet of building area; a copy of the property record card, the same as submitted by the appellant, lists the subject's size based on an inspection of 2,450 square feet of building area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the board of review's attorney argued that the board of review's evidence supported the subject's current assessment.

In rebuttal, the appellant's attorney argued that there are errors within the board's evidence. She asserted that all the comparables, submitted by both the appellant and the board of review, are classified as 5-17, commercial storefront properties. Therefore, the board of review also considers these types of properties similar to the subject.

After considering the evidence and reviewing the testimony, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

As to the subject's size, the PTAB finds the best evidence of the subject's size is the property record card. This evidence shows the subject was inspected in October 2006 and the inspector included a diagram of the property and a schematic of the commercial unit. Therefore, the PTAB finds that the subject property contains 2,450 square feet of building area.

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 appellant submitted documentation showing the actual income and expenses of the subject property. The PTAB gives the appellant's argument little weight. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

[I]t is the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded

as the most significant element in arriving at "fair cash value".

Many factors may prevent a property owner from realizing an income from property that accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes. *Id.* at 431.

Actual expenses and income can be useful when shown that they are reflective of the market. Although the appellant's attorney made this argument, the appellant did not demonstrate through an expert in real estate valuation that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income, one must establish, through the use of market data, the market rent, vacancy and collection losses, and expenses to arrive at a net operating income reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence and, therefore, the PTAB gives this argument no weight and finds that a reduction based on overvaluation is not warranted.

Appellants who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 544 N.E.2d 762 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. Proof of assessment inequity should include assessment data and documentation establishing the physical, locational, and jurisdictional similarities of the suggested comparables to the subject property. *Property Tax Appeal Board Rule* 1910.65(b). Mathematical equality in the assessment process is not required. A practical uniformity, rather than an absolute one is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395, 169 N.E.2d 769 (1960). Having considered the evidence presented, the PTAB concludes that the appellant has met this burden and that a reduction is warranted.

The appellant presented assessment data on a total of three equity comparables. The PTAB gives little weight to the board of review's evidence as the data is merely raw sales data without any assessment information.

The PTAB finds the appellant's comparables similar to the subject in size, location and highest and best use, but differ in age and design. The properties are improved with one-story, masonry, freestanding, commercial buildings. The properties range: in age from 19 to 21 years; in size from 1,937 to 3,359 square feet of building area; and in improvement assessments from \$2.85 to \$7.11 per square foot of building area. In comparison, the subject's improvement assessment of \$60.66 per square foot of building area is above the range of comparables. However, based on the subject's age and design, the PTAB finds the comparables should

be adjusted upward to account for these superior characteristics. After considering adjustments and the differences in the comparables when compared to the subject, the PTAB finds the subject's per square foot improvement assessment is not supported and a reduction in the subject's assessment 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

[Signature]

Member

[Signature]

Member

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Member

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 31, 2013

[Signature]

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.