



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

APPELLANT: Katherine Perillo
DOCKET NO.: 07-27652.001-C-1
PARCEL NO.: 24-06-214-015-0000

The parties of record before the Property Tax Appeal Board are Katherine Perillo, the appellant(s), by attorney Terrence J. 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 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:

OMNI

LAND: \$50,468
IMPR.: \$78,170
TOTAL: \$128,638

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 15,625 square feet of land improved with a 24-year old, one-story, masonry constructed, self-service car wash building containing 2,448 square feet of gross building area. 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 Ronda Sandic, a certified associate real estate appraiser, Gary M. Skish, vice president of First Real Estate Services, LTD., and reviewed and approved by Gary T. Peterson who holds an MAI/MBA designation and is a certified general real estate appraiser. The appraisers estimated a market value for the subject of \$290,000.

The appraisal indicated that the building contains 2,100 square feet of finished office area. The appraiser indicated that the subject's highest and best use as vacant and improved is for its current use.

The appraisers developed two of the three traditional approaches to value. The appraisers developed the income capitalization and cost approaches to value and stated that the sales comparison approach was not applicable without elaboration.

Under the income approach, the appraisers reviewed market conditions, existing leases and estimated the subject's potential net operating income at \$52,395.

The appraiser noted an overall capitalization rate for the subject based upon its size, condition and location of 18.27%. Applying the overall capitalization rate of 18.27% to the net operating income resulted in a final value under the income approach of \$285,000, rounded.

Lastly, under the cost approach, the appraiser analyzed four land sales to estimate the value of the land at \$12.00 per square foot or \$185,000, rounded. The replacement cost new was determined at \$162,327. The appraisers depreciated the improvement by 35% for a depreciated value for the improvement of \$105,513. Adding additional on-site improvements of \$10,000 and land value of \$185,000 resulted in a market value estimate under this approach of \$300,000, rounded.

The appellant's appraisers indicated the most weight was accorded to the income approach to value in reconciling a final value estimate of \$290,000. 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 \$138,258 for the tax year 2007. The subject's assessment reflects a market value of \$338,521 or \$138.28 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 four retail 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 November 2004, to April 2007, in an unadjusted range from \$225,000 to \$875,000 or \$88.79 to \$234.48 per square foot of building area, including land. The properties contained buildings that ranged in size from 1,360 to 2,900 square feet. 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 not 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.

The Board gives little weight to the appellant's appraisal. This appraisal did not include any sales comparables. The appraisal indicates that since the subject property is an income-producing operation that requires intensive "hands on" management, it is difficult to separate the market value of the land and the building from the total value of the business. 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 evidence does not show that their exclusion is standard practice when appraising property that is similar to the subject. The analysis did not use sale comparables. In fact, the board of review presented four suggested comparables, proving that there is a market for the subject, and the sales comparison approach could be developed. Therefore, the Board finds that reliance on the appellant's appraisal 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.

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.