



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

APPELLANT: 301 North Northwest Highway, LLC
DOCKET NO.: 07-28393.001-C-1
PARCEL NO.: 02-14-400-061-0000

The parties of record before the Property Tax Appeal Board are 301 North Northwest Highway, LLC, the appellant(s), by attorney Eugene P. 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:

LAND: \$ 103,683
IMPR.: \$ 103,036
TOTAL: \$ 206,719

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 32,040 square feet of land that is improved with a one-story, four year old, masonry, fast food restaurant with 3,200 square feet of building area, a drive thru window, and a land-to-building ratio of 10.01:1. The appellant, via counsel, argued that the subject's market value was not accurately reflected in its assessment.

In support of the market value argument, the appellant submitted an appraisal undertaken by William L. Shulman and Mitchell J. Perlow of Property Valuation Services, LLC. The report states that Mr. Shulman is a licensed State of Illinois Associate Real Estate Appraiser, and that Mr. Perlow is a Certified General Real Estate Appraiser that holds the designation of MAI. The appraisers stated that the subject had an estimated market value of \$495,000 as of January 1, 2007. The appraisal report utilized the sales comparison approach to value to estimate the market value for the subject property. The appraisal states that Mr. Shulman personally inspected the subject, and that the subject's highest and best use as improved is its current use.

Under the sales comparison approach, the appraisers analyzed the sales of four suggested comparables, which are described as masonry buildings that range in age from 22 to 32 years old, and

in building size from 3,000 to 6,552 square feet of building area. The comparables' land-to-building ratios range from 5.97:1 to 11.33:1. All four of the sales comparables were being used as standard restaurants at the time of the sale. These sales comparables sold from July 2004 to October 2005 for prices ranging from \$405,000 to \$1,000,000, or from \$128.40 to \$164.29 per square foot of building area, including land. The appraisers adjusted each of the comparables for pertinent factors. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach of \$155.00 per square foot of building area, including land, or \$496,000. The appraisers "rounded" this value down to \$495,000, without explanation, to arrive at a final value under the sales comparison approach.

The cost approach and the income approach were not developed in the appraisal. The appraisers gave the sales comparison approach primary consideration in valuing the subject. Thus, the appraisers concluded that the subject's appraised value was \$495,000 as of January 1, 2007. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The Cook County Board of Review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$206,719 was disclosed. The subject's final assessment yields a fair market value of \$543,997 when the 38% assessment level for class 5-17 property under the Cook County Real Property Assessment Classification Ordinance is applied. In support of the subject's assessment, the board of review submitted a property record card for the subject, and raw sales data for six commercial fast food restaurants located within seven miles of the subject. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the assessor's office. However, the board of review included a memorandum which states that the submission of these comparables is not intended to be an appraisal or an estimate of value, and should not be construed as such. The memorandum further stated that the information provided was collected from various sources, and was assumed to be factual, accurate, and reliable; but that the information had not been verified, and that the board of review did not warrant its accuracy.

The suggested comparables contain commercial fast food restaurants that range in age from 13 to 38 years old, and in building size from 2,515 to 3,456 square feet of building area. However, the ages for Comparables #4 and #5 were not disclosed. Additionally, Comparable #6 has a drive thru window. The land-to-building ratios range from 1.54:1 to 17.61:1. However, the land size for Comparable #6 was not disclosed, so the land-to-building ratio could not be determined. The properties sold from March 2004 to June 2009 in an unadjusted range from \$604,160 to \$2,075,000, or from \$213.56 to \$711.35 per square foot of building area, including land. The printouts state that Comparable #1 was a sale leaseback agreement. Comparable #2 was part of a portfolio divestment, wherein the seller is selling 24

fast food restaurants to individual buyers. Comparables #3, #4, #5, and #6 were 100% leased at the time of the sale. The printouts also indicate that no real estate brokers were used in Comparables #1, #3, #4, and #6. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After reviewing the record and considering the evidence, the Property Tax Appeal Board (the "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. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 86 Ill. Admin. Code § 1910.63(e). 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code. § 1910.65(c). Having considered the evidence presented, the Board finds that a reduction is not warranted.

The Board finds that the appellant has not proven, by a preponderance of the evidence, that the subject is overvalued because the Board does not find the appraisal persuasive. Under the sales comparison approach, the appraisers did not use *any* fast food restaurants, but instead used full service restaurants. These two types of properties are different, and attract different customers. Even so, the appraisers made no adjustments for this fact. Thus, the Board did not find the appraisers' reliance on the sales comparison approach credible.

The Board gives little weight to the board of review's comparables as the information provided was unadjusted raw sales data, and was admittedly not intended to be an estimate of value. Therefore, the Board finds that, the appellant has not proven, by a preponderance of the evidence, that the subject is overvalued, and a reduction 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.

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: February 22, 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.