



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

APPELLANT: Pros Build, Inc.
DOCKET NO.: 07-28997.001-R-1 through 07-28997.004-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Pros Build, Inc., the appellant(s), by attorney Herbert B. Rosenberg, of Schoenberg Finkel Newman & Rosenberg LLC 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
07-28997.001-R-1	14-31-319-086-1001	4,316	1,020	\$ 5,336
07-28997.002-R-1	14-31-319-086-1002	3,187	21,338	\$ 24,525
07-28997.003-R-1	14-31-319-086-1003	3,258	21,813	\$ 25,071
07-28997.004-R-1	14-31-319-086-1004	3,356	22,475	\$ 25,831

Subject only to the State multiplier as applicable.

ANALYSIS

The subject has 3,026 square feet of land, which is improved with a one year old, four-story, masonry building. The subject has three residential condominium units, and one commercial condominium unit. The subject's total assessment is \$138,383, of which \$5,336 is applied to the property index number ("PIN") ending in -1001. This PIN is the commercial unit, and had a 20% occupancy factor applied to it by the board of review. Thus, this assessment yields a fair market value of \$14,042 after applying the 38% assessment level for commercial properties under the 2007 Cook County Classification of Real Property Ordinance. The remaining PINs constitute the residential units, which have a total assessment of \$133,047. This assessment yields a fair market value of \$1,325,169 after applying the 2007 Illinois Department of Revenue three year median level of assessment of 10.04% for class 2 properties. Therefore, the

subject's total fair market value, according to its current assessment, is \$1,339,211. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value as the basis of this appeal.

In support of the market value argument, the appellant's evidence stated that the subject was recently constructed. The cost of the land was \$465,000, while the construction cost of the improvement cost \$511,125, for a total of \$976,125. A signed statement of costs for the construction of the improvement was included in the evidence, which showed a total cost of \$511,125. A special warranty deed was submitted, showing the land purchase price of \$465,000 (after calculating the purchase price using the state tax stamps on the deed). The appellant also asserted that the City of Chicago Department of Buildings issued a partial Certificate of Occupancy for the subject on June 21, 2007, and a full Certificate of Occupancy on July 27, 2007. Copies of the occupancy certificates were included in the evidence. Three affidavits were submitted, each naming Anthony Avado as the affiant. The affiant alleged that he is the owner of the subject, and that he has used his best efforts to either sell or lease the units within the subject. The affiant alleged that he has had difficulty selling or leasing the units within the subject, despite these efforts. The affiant further alleged that construction on the subject began in January 2006, and an occupancy certificate was issued on July 27, 2007. The appellant also submitted a rent roll for 2007, which shows that two of the apartments were rented for 11 of the 12 months, starting in February. 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 total assessment of \$138,383 was disclosed. In support of the subject's assessment, the board of review submitted a memorandum from Matt Panush, Cook County Board of Review Analyst. In the memorandum, Mr. Panush stated that PIN -1001 received a 20% occupancy factor from the board of review, and that PINs -1002, -1003, and -1004 are all currently leased. Based on this submission, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant argued that the board of review's evidence should be given no weight because it did not address the subject's market value, but only the market value of income producing class 2 properties generally. The appellant also stated that the four PINs are prorated as follows: PIN -1001 is

prorated at 15.64%; PIN -1002 is prorated at 27.43%; PIN -1003 is prorated at 28.04%; and PIN -1004 is prorated at 28.89%.

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 the evidence indicates a reduction is warranted.

The Board finds that the best evidence of the subject's market value is the recent purchase of the land and the construction costs of the improvement submitted by the appellant. These amounts totaled \$976,125. The board of review did not submit any evidence of the subject's market value, and therefore, its submission was given little weight in the Board's decision.

The complication in this case, however, does not stem from the subject's market value. Instead, it is the correct calculation of the subject's assessment that becomes complicated. The Board will address each issue in turn.

First, the Board will prorate the full market value of the subject amongst the four PINs that comprise the subject. Therefore, PIN -1001 has a market value of \$152,666; PIN -1002 has a market value of \$267,751; PIN -1003 has a market value of \$273,705; and PIN -1004 has a market value of \$282,003.

Next, these market values must be multiplied by the appropriate assessment level. For PIN -1001, the appropriate assessment level is the 38% assessment level for commercial properties under the 2007 Cook County Classification of Real Property Ordinance. 86 Ill. Admin. Code § 1910.50(c). Thus, the

appropriate assessment for PIN -1001 is \$58,013. For the residential PINs, the appropriate assessment level is the 2007 Illinois Department of Revenue three year median level of assessment of 10.04% for class 2 properties. Therefore, the appropriate assessment for PIN -1002 is \$26,882; the appropriate assessment for PIN -1003 is \$27,480; and the appropriate assessment for PIN -1004 is \$28,313.

Determining the correct assessment does not end the analysis in this appeal. The subject was not completed and issued an occupancy certificate until June 21, 2007. The certificate and the appellant both state that it is a partial occupancy certificate. However, the certificate states that, "The City of Chicago hereby certifies that as of the above referenced date all construction and other work having been completed in accordance with approved plans . . . conforms to the general, specific, and structural requirements of the applicable provisions of the Municipal Code of the City of Chicago, . . . " Therefore, it appears that as of June 21, 2007, the subject was at least inhabitable.

Despite not being able to occupy the premises, two of the three apartments were leased beginning in February 2007. Therefore, while the occupancy permit was issued for June 2007, actual occupancy began in February.

This fact brings Section 9-180 of the Illinois Property Tax Code into the Board's analysis, which states, in relevant part:

Sec. 9-180. Pro-rata valuations; improvements or removal of improvements. The owner of property on January 1 also shall be liable, on a proportionate basis, for the increased taxes occasioned by the construction of new or added buildings, structures or other improvements on the property from the date when the occupancy permit was issued or from the date the new or added improvement was inhabitable and fit for occupancy or for intended customary use to December 31 of that year.

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Computations under this Section shall be on the basis of a year of 365 days.

Therefore, the subject's assessment must be further reduced, as it was not occupied until February 1, 2007. The subject was completed 333 days prior to the end of tax year 2007. Therefore, the assessment shall be multiplied by 91.2% ($333 \div 365 = 91.2\%$). This calculation results in the following: PIN -1001 has an assessment of \$52,927; PIN -1002 has an assessment of \$24,525; PIN -1003 has an assessment of \$25,071; and PIN -1004 has an assessment of \$25,831.

Finally, the board of review applied a 20% occupancy factor to PIN -1001. The Board will not disturb the application of this factor on appeal. Therefore, PIN -1001 has a final assessment of \$10,585. This amount is higher than the commercial unit's current assessment. Therefore a reduction is not warranted for this PIN. While the appellant asks for vacancy relief, and/or the application of an occupancy factor for the residential units, the Board is without the authority to grant such factors. Therefore, the Board finds that the subject's assessment is not correct, and 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.



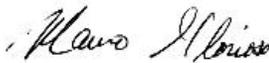
Chairman



Member



Member



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 24, 2014



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.