



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

APPELLANT: Steve Guarino
DOCKET NO.: 07-29024.001-C-1
PARCEL NO.: 07-33-101-006-0000

The parties of record before the Property Tax Appeal Board are Steve Guarino, the appellant(s), by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. 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: \$ 54,186
IMPR.: \$ 123,166
TOTAL: \$ 177,352

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property contains approximately 20,519 square feet of land improved with a 22-year old, one-story, masonry, commercial car wash building. The appellant argued that the market value of the subject property was not accurately reflected in its assessed value as the bases of this appeal.

In support of the market value argument, the appellant, via counsel, submitted an appraisal undertaken by Mario Minkovic and Mitchell J. Perlow of Property Valuation Services. The appraisal report states that Minkovic and Perlow are certified general real estate appraisers and Perlow holds the MAI designation. The appraisers stated that the subject had an estimated market value of \$395,000 as of January 1, 2007. As to the history of the subject property, the appraisers succinctly stated that the subject was purchased in January 2007 for a value of \$1,400,000, but that this sale also included equipment, business and goodwill. In addition, the appraisers assert it was reported that the price was partially based upon the seller's misrepresentation

of how well the business was doing. Therefore, the appraisers discounted the purchase price in their appraisal assignment.

The appraisal report utilized only one of the traditional approaches to value, the sales comparison approach, to estimate the market value for the subject property. The appraisal stated that per prior agreement with the client, the appraisers did not use either the cost or income capitalization approaches to value. In addition, the appraisal report states that the subject property was inspected on August 1, 2008, which is over one and one-half years after the effective date of this appraisal without further elaboration.

As to the subject's highest and best use, as vacant, the appraisers opined that improving it for use consistent with zoning, neighborhood characteristics, and demand was best, while the subject's highest and best use, as improved, was its existing use, but with the repair of any deferred maintenance if any.

Moreover, the appraisal reflected that the subject was improved with a one-story, concrete block, car wash without a basement. The 22-year old improvement contained 2,725 square feet of building area with one automated cleaning bay in average condition. The subject has a land to building ratio of 10.46:1.

Under the sales comparison approach, the appraisers analyzed the sales of six suggested comparables with four properties located within the subject's market and two located outside the subject's area. Four of these comparables are improved with one-story, masonry or concrete block car washes. The remaining two comparables are one-story, masonry, retail or office buildings. They range: in age from 7 to 57 years; in improvement size from 3,061 to 8,354 square feet of living area; and in land-to-building ratio from 2.79:1 to 8.13:1. These suggested comparables sold from December 2004 to May 2008 for prices that ranged from \$104.74 to \$150.94 per square foot of building area, including land. The appraisers indicated that no adjustments were made for financing terms and property rights. The appraisers made downward adjustments to the retail and office buildings without detailed reasoning, upward adjustments to all the sales, except sale #4, for size, and upward and downward adjustments for other 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 to value of \$145.00 per square foot or \$395,000 rounded, 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 \$177,352 was disclosed. The subject's final assessment yields a fair market value of \$466,715 or \$160.00 per square foot when the Cook County Ordinance Level of Assessment for commercial properties of 38% is applied.

As to the subject, the board's analysis stated that the subject was purchased in January 2007 for a price of \$1,400,000 or \$513.76 per square foot. In support of this sale, the board of review submitted a copy of the subject's Warranty Deed and Illinois Real Estate Transfer Declaration, PTAX-203, affirming the aforementioned sale data. In addition, the PTAX-203 states: in Line #7 that the property was advertised for sale; in Line #11 that the full actual consideration was \$1,400,000; in Line #12a that the amount of personal property was \$0.00; and in Line #13 that the net consideration for real property was \$1,400,000. Further, page #2 of this document reflects the buyer's name as BSNA, LLC and signature as that of the appellant, Steven Guarino.

In support of the subject's market value, the board of review presented descriptive and sales data on five properties suggested as comparable to the subject. These properties are described as one-story, masonry, car washes. They range in age from 7 to 27 years, with one age unknown, and in improvement size from 1,573 to 6,100 square feet of building area. The properties sold from November 2002 to June 2008 for unadjusted prices ranging from \$143.46 to \$238.40 per square foot of building area.

The board's cover memorandum also stated that this analysis was not intended to be an appraisal or estimate of value and that the data reflected therein was collected from multiple sources which were not verified, but assumed to be reliable. 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. After submission of the parties' evidence, the appellant waived the right to hearing.

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 reduction is not warranted.

In determining the fair market value of the subject property, the Board finds unpersuasive the appellant's appraisal for several reasons. The Board finds that the appraisers failed to develop the cost and income approaches to value while asserting in the

appraisals that these approaches would be considered meaningful. In addition, the appraisers inspected the subject property over one and one-half years after the valuation date which is the lien date.

Furthermore, the Board finds that the appraisal stated that the subject was purchased in January 2007 which was same month as the assessment date at issue. However, the Board finds that the appraisers failed to detail sufficient reasoning for not according the subject's sale any weight at all. Most especially considering the documentation submitted by the board of review. These documents affirm the subject's sales data. Specifically, the PTAX-203 states: in Line #7 that the property was advertised for sale; in Line #11 that the full actual consideration was \$1,400,000; in Line #12a that the amount of personal property was \$0.00; and in Line #13 that the net consideration for real property was \$1,400,000. Further, page #2 of this document reflects the buyer's name and signature as that of the appellant, Steven Guarino.

As to the appraisers' sales comparison approach to value, the Board finds that two of the suggested comparables used are not similar to the subject at all and that there was insufficient explanation as to the downward adjustments made to these properties based on characteristics when the unadjusted price of these properties was at the low end or below the range of the other car wash properties. The Board finds that the inclusion of these two properties creates an unreliable adjusted range and results in a conclusion of value based on these comparables that is not credible. Therefore, the Board accorded this appraisal minimal weight.

However, the courts have stated that where there is credible evidence of comparables sales, these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill.App. 3d 207 (2nd Dist. 1979). The Court further held that significant relevance should not be placed on the cost approach or the income approach especially when there is market data available. Id. Moreover, in Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill.App.3d 9 (5th Dist. 1989), the Court held that of the three primary methods of evaluating property for purposes of real estate taxes, the preferred method is the sales comparison approach. Therefore, the Board will also accord the unadjusted sales data provided by the parties in this appeal as well as the subject's purchase price most weight.

The Board finds that both parties submitted sales data on a total of 11 sales of one-story, masonry or concrete, car washes or retail or office buildings. The Board finds the appellant's comparables #1, #2, #3 and #4 and the board of review's comparables #1, #2, and #4 most similar to the subject and with sale dates closest to the lien date. These properties sold from December 2004 to June 2008 for prices that ranged from \$131.06 to \$181.55 per square foot. In comparison, the subject's total

assessment reflects a market value of \$160.00 per square foot of building area, which is within the established range. After making adjustments to these suggested comparables, the Board finds that the subject's market value is supported and that 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.

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: December 20, 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.