



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

APPELLANT: Eloise Landa
DOCKET NO.: 07-29361.001-C-1 through 07-29361.003-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Eloise Landa, the appellant, by attorney Terrence Kennedy, Jr., of the Law Offices of Terrence Kennedy, Jr., 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
07-29361.001-C-1	17-06-234-023-0000	9,828	0	\$9,828
07-29361.002-C-1	17-06-234-024-0000	14,063	39,908	\$53,971
07-29361.003-C-1	17-06-234-042-0000	3,113	4,434	\$7,547

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of three parcels with a combined land area of 7,300 square feet improved with a three-story masonry constructed mixed-use, retail/residential building with 8,496 square feet of gross building area. The building was constructed in 1906. The structure contains two retail units each containing 1,150 square feet of building area and four 3-bedroom residential units each containing 1,150 square feet of living area. Each of the retail units has central air conditioning. The property is located in Chicago, West Chicago Township, Cook County. The subject property is classified as a class 2-12 mixed use commercial/residential building and a class 2-41 vacant land under common ownership with adjacent residence under the Cook County Real Property Assessment Classification Ordinance.

The Property Tax Appeal Board takes notice the property in this appeal was the subject matter of an appeal before the Property Tax Appeal Board for the prior tax year under Docket No. 06-29871-C-1. In that appeal, the Property Tax Appeal Board reached a decision reducing the total assessment to \$71,346 based upon

equity and the weight of the evidence in the record as presented by the parties to the appeal. (86 Ill.Admin.Code 1910.90(i)).

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted a summary appraisal signed by Jolanta Bardecki, Michael Halliburton and Gary T. Peterson of the Peterson Appraisal Group, Ltd. Each of the individuals is a State of Illinois Certified General Real Estate Appraiser. Additionally, Halliburton and Peterson have the Member of the Appraisal Institute (MAI) designation from the Appraisal Institute. The report indicated Bardecki was the appraiser while both Haliburton and Peterson reviewed and approved the report. The appraisers estimated the subject property had a market value of \$705,000 as of January 1, 2006.

The purpose of the appraisal was to estimate the market value for a 100% ownership interest in the subject property's fee simple estate. The property rights appraised are the fee simple estate ownership rights. The report indicated an interior and exterior inspection of the property was performed on January 28, 2008. The appraisers determined the continued use of the subject represents the highest and best use of the property as improved. In estimating the market value of the subject property the cost approach to value, the income approach to value and the sales comparison approach to value were used.

Under the cost approach to value the appraisers first estimated the land value to be \$55.00 per square foot of land area or \$400,000, based on four comparable land sales. The replacement cost new of the building and site improvements was estimated to be \$927,066 using the Marshall Valuation Service. Using an effective age of 45 years and an economic life of 75 years the appraisers estimated depreciation to be 60% of the cost new or \$566,240. Deducting depreciation and adding the land value resulted in an estimate of value under the cost approach of \$770,000.

Under the income approach, using five retail rental comparables and five residential rental comparables, the appraisers estimated the potential gross income of the subject property to be \$96,600. Vacancy and collection loss was estimated to be \$7,590 to arrive at an effective gross income of \$89,010. The appraisers deducted \$20,819 in expenses and added \$3,558 in reimbursements to arrive at a net operating income of \$71,468. Using the band of investment and investor surveys the appraisers estimated an overall capitalization rate of 8.0%. An effective tax rate of 2.297% was added to arrive at a total capitalization rate of 10.297%. Capitalizing the net income resulted in an estimated value under the income approach of \$695,000.

Under the sales comparison approach six sales were identified. The comparables ranged in size from 8,400 to 14,355 square feet of building area and were constructed from 1889 to 1924. These properties were located in Chicago and had land to building ratios ranging from .42:1 to 1.09:1. The sales occurred from

January 2004 to March 2007 for prices ranging from \$400,000 to \$1,000,000 or from \$66.67 to \$83.33 per square foot of building area, including land. Qualitative adjustments were made to the comparables to account for differences from the subject. The appraisers concluded a market value near the upper end of the range was indicated by the comparables or \$83.00 per square foot of building area, including land, for a total value of \$705,000 under the sales comparison approach.

In reconciling the three approaches to value the appraisers gave primary consideration to the sales comparison approach and secondary emphasis on the income approach to arrive at an estimate of market value of \$705,000 as of January 1, 2006.

Based on this evidence the appellant requested the subject's assessment be reduced to 10% of the appraised value or \$70,500. The appellant submitted a copy of the final decision from the board of review disclosing a total assessment of \$95,937.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessments for the parcels under appeal of \$95,937. The subject's total assessment reflects a market value of \$955,548 when using the 2007 three year average median level of assessments for class 2 property of 10.04% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code 1910.50(c)(2)).

Attached to the "Board of Review Notes on Appeal" were the property record cards or property characteristic printouts for the parcel numbers (PINs) under appeal. The board of review also submitted the property record cards or the property characteristic printouts for three PINs. No explanation was provided by the board of review for the submission of this data nor was an analysis of the data contained on the printouts provided. The printouts were for properties that had the same classification code and neighborhood code as PIN 17-06-234-023-0000, a class 2-41 vacant lot. These properties were class 2-41 vacant land that had sites ranging in size from 960 to 3,121 square feet of land area. These properties had total assessments that ranged from \$4,452 to \$37,452 or from \$4.12 to \$12.00 per square foot of land area. No other evidence was submitted by the board of review.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject's assessment is warranted.

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved 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); 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal

of the subject property, a recent sale, comparable sales or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence of market value in this record is the appraisal of the subject property submitted by the appellant estimating the subject property had a market value of \$705,000 as of January 1, 2006. The appraised value is below the market value reflected by the assessment of \$955,548 when using the 2007 three year average median level of assessments for class 2 property of 10.04% as determined by the Illinois Department of Revenue. The appraisers developed the three traditional approaches. The analysis of the data and the explanation of the appraisal methodology were well explained in the report, appeared reasonable and appeared to be in accordance with standard appraisal practice. The Board finds the report and conclusion of value are credible. The Board gives little weight to the data presented by the board of review. The Board finds the board of review presented no market data or sales information to refute the appraised value or to support the assessment of the subject property. The board of review submitted descriptions and assessment information on three comparables that were vacant lots. This data does not address or refute the appellant's market value/overvaluation argument.

As a final point, the Property Tax Appeal Board takes notice that the subject property was the subject matter of an appeal in the prior (2006) tax year under Docket No. 06-29871-C-1. In that appeal, the Property Tax Appeal Board reached a decision finding the subject property had a market value of \$705,000 based on the same appraisal as submitted in this appeal and reduced the total assessment to \$71,346. The Board takes further notice that 2006 and 2007 are within the same general assessment period for West Chicago Township. (86 Ill.Admin.Code 1910.90(i)). Based on this record the Board finds that the assessment as established in the prior year's appeal is appropriate and that a reduction in the assessment is justified.

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: August 23, 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.