



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

APPELLANT: Lou Kocsis
DOCKET NO.: 07-29790.001-C-1
PARCEL NO.: 20-22-312-008-0000

The parties of record before the Property Tax Appeal Board are Lou Kocsis, the appellant, by attorney Brian P. Liston, of Law Offices of Liston & Tsantilis, 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: \$ 27,189
IMPR.: \$ 90,877
TOTAL: \$ 118,066

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 23,850 square foot land parcel improved with an 80-year old, one-story, commercial building used as a storefront. The improvement contains 22,682 square feet of building area.

The appellant argued that the market value of the subject property was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted limited market data on three suggested sale comparables. These properties were located from 7.26 miles to 22.11 miles distance from the subject property. They ranged in land size from 13,590 to 15,901 square feet and in improvement size from 10,000 to 16,500 square feet of building area. These sales occurred from May, 2005, through August, 2008, for prices that ranged from \$36,500 to \$193,000 or from \$3.65 to \$11.70 per square foot. In addition, the appellant submitted a website printout for each sale.

Further, the appellant submitted actual income and expense data as well as Income Tax Schedule E forms for the subject property

reflecting data from tax year 2004 through 2006. The actual data indicated a range of income from \$51,300 to \$60,300 and total expenses that range from \$11,194 to \$13,933 resulting in net income ranging from \$40,106 to \$46,683. Based upon this analysis, the appellant requested a reduction in the subject's assessment.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$118,066. The subject's assessment reflects a market value of \$310,700 or \$13.70 per square foot using the Cook County Ordinance Level of Assessment for Class 5A, commercial property of 38%. As to the subject, the board submitted copies of the subject's property record cards along with a cover memorandum.

In support of the subject's market value, raw sales data was submitted for four commercial properties designated as either retail storefront or retail freestanding general space. 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 June, 2002, to January, 2003, in an unadjusted range from \$24.61 to \$31.93 per square foot of building area. The properties contained commercial buildings that ranged in size from 8,940 to 35,702 square feet and in age from 6 to 81 years. The printouts indicate that sale #3 reflected that the parties to that transaction were not represented by a real estate broker. In addition, sales #1, #2 and #3 were sales of multi-tenant buildings, while sale #4 was a purchase by a tenant of the building.

Moreover, the board of review's cover memorandum stated that the data was not intended to be an appraisal or an estimate of value and should not be construed as such. The memorandum indicated that the information provided therein had been collected from various sources that were assumed to be factual and reliable; however, it further indicated that the writer hereto had not verified the information or sources and did not warrant its accuracy. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments as well as 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. 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 not warranted.

The Board finds that the appellant's argument that the subject's assessment is excessive when applying an income analysis based upon the subject's actual income and expenses unconvincing and not supported by the evidence in the record.

In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill2d 428 (1970), the court stated:

It is the value of the "tract or lot of real property" property which is assessed, rather than the value of the interest presently held. . .[R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . .[E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value".

Many factors may prevent a property owner from realizing an income from property, which accurately reflects its true earning capacity; but it is the capacity for earning income rather than the income actually derived, which reflects "fair cash value" for taxation purposes. Id.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant failed to proffer any market data to demonstrate that the subject's actual data was reflective of the market, including: market rent, vacancy and collection losses, expenses, and capitalization rates to convert the net income into an estimate of market value.

Moreover, the Board accorded diminished weight to the parties' unadjusted, raw sales data relating to a total of seven sale properties. Nevertheless, these sales reflected market data in a range from \$3.65 to \$31.93 per square foot. In comparison, the subject's current market value is at \$13.70 per square foot, which is at the low end of the range established by the parties' market data.

As a result of this analysis, the Board finds the appellant has not adequately demonstrated that the subject was overvalued by a preponderance of the evidence 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.



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: February 22, 2013



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.