



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

APPELLANT: Jim Correll  
DOCKET NO.: 07-30771.001-C-1  
PARCEL NO.: 23-12-102-044-0000

The parties of record before the Property Tax Appeal Board are Jim Correll, the appellant, by attorney Deborah M. Petro of 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:

**LAND:** \$66,293  
**IMPR.:** \$199,707  
**TOTAL:** \$266,000

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 38,768 square foot site that is improved with a one-story masonry constructed office building containing approximately 12,100 square of gross building area. The building was constructed in 1977. The subject building has offices along the perimeter with an open general office area with work stations in the middle. The building has a mechanical room, an employee lunchroom in the center and an executive library/conference room. The property is classified as a class 5-17 commercial property under the Cook County Real Property Assessment Classification Ordinance (hereinafter "Ordinance") and has an Ordinance level of assessment of 38% of market value. The property is located in Hickory Hills, Palos Township, Cook County.

The appellant is challenging the assessment of the property for the 2007 tax year based on overvaluation. In support of this argument the appellant submitted a narrative appraisal estimating the subject property had a market value of \$780,000 as of January 1, 2008. In estimating the market value of the subject property the appraisers developed the three traditional approaches to value. The report indicated the appraisers determined the highest and best use of the subject as improved is as currently improved.

The initial step under the cost approach was to estimate the value of the land using seven land sales located in Hickory Hills, Bridgeview and Chicago Ridge. These comparables ranged in size from 6,600 to 91,084 square feet of land area and sold for prices ranging from \$140,000 to \$1,200,000 or from \$11.96 to \$28.03 per square foot of land area. Using these comparables the appraiser estimated the subject's land had a value of \$500,000.

The appraisers used Marshall Swift/Boeckh's Cost Service to estimate the replacement cost new of the subject improvements to be \$835,918. To this the appraisers added an entrepreneurial profit of 3% to arrive at a cost new of \$860,996. Accrued depreciation was estimated to be 67% or \$576,867 resulting in a depreciated building value of \$284,129. To this the appraisers added \$2,800 for site improvements and the land value of \$500,000 to arrive at an estimate of value under the cost approach of \$785,000.

Under the income approach the appraisers initially estimated the subject's market rent using five comparable rentals with rentals ranging from \$10.00 to \$25.00 per square foot of building area. The appraisers estimated the subject had a market rent of \$15.50 per square foot of building area resulting in a potential gross income of \$187,550. Based on the comparables, the appraisers deducted 3% or \$5,626.50 for vacancy and collection loss to arrive at an effective gross income of \$181,923.50. The appraisers deducted \$103,861, including real estate taxes, as expenses to arrive at a net income of \$78,063. Using the rental comparables the appraisers calculated overall capitalization rates ranging from 7.79% to 12.79% and gross income multipliers ranging from 2.92 to 6.00. Using the gross income multiplier the appraisers estimated the subject property had an estimated value under the income approach of \$819,594. Using a capitalization rate of 10.00% the appraisers estimated the subject had a value of \$780,630. Using the band of investment method the appraisers calculated an overall rate of 9.985% to arrive at an estimate of value of \$781,803. In conclusion the appraisers estimated the subject had an indicated value under the income approach of \$780,000.

The final approach to value was the sales comparison approach in which five sales located in Palos Hills, Midlothian and Hickory Hills were used. The sales ranged in size from 4,600 to 16,590 square feet of building area and were constructed from 1974 to 1990. The comparables sold from September 2005 to October 2007 for prices ranging from \$240,000 to \$1,350,000 or from \$52.17 to \$85.71 per square foot of building area. After making adjustments to the comparables the appraisers were of the opinion the adjusted prices ranged from \$64.09 to \$65.22 per square foot of building area, including land. Based on these sales the appraisers estimated the subject property had an indicated value of \$64.46 per square foot of building area, including land, for an estimated value under the sales comparison approach of \$780,000.

In reconciling the three approaches to value the appraisers gave most emphasis to the sales comparison approach to arrive at an estimated value of \$780,000 as of January 1, 2008.

The appellant further indicated on the appeal form that the subject property was the subject matter of an appeal before the Property Tax Appeal Board in 2006, the prior tax year, under Docket No. 06-31800.001-C-1. In that appeal, the Property Tax Appeal Board issued a decision based upon an agreement of the parties reducing the assessment to \$266,000. The Board also takes notice that the subject property was the subject matter of an appeal before the Property Tax Appeal Board for the 2005 tax year under Docket No. 05-22274.001-C-1. In that appeal, the Property Tax Appeal Board reached a decision based upon equity and the weight of the evidence in the record as presented by the parties to the appeal and reduced the assessment to \$266,000.

Based on this record the appellant requested the subject's assessment be reduced.

The board of review submitted its "Board of Review Notes on Appeal" disclosing a total assessment of \$298,869. The subject's assessment reflects a market value of \$786,497 or \$65.00 per square foot of building area, including land, using the Ordinance level of assessment of 38% for commercial property.

The board of review submitted information on four sales improved with one-story office buildings that ranged in size from 10,000 to 10,977 square feet of building area. The comparables were constructed from 1966 to 1988. The properties were located in Evergreen Park, Crestwood, Orland Park and LaGrange. The sales occurred from June 2003 to January 2006 for prices ranging from \$650,000 to \$2,200,000 or from \$59.21 to \$212.05 per square foot of building area, including land. In a memorandum attached to this data the board of review stated this should not be construed as an appraisal or an estimate of value.

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 the appeal. The Board further finds the evidence in the record supports a reduction in the subject's assessment.

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 (3<sup>rd</sup> Dist. 2002). 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 appellant submitted a narrative appraisal estimating the subject property had a market value of \$780,000 as of January 1, 2008. The effective date of the appraisal is one year after the assessment date at issue. The appraisers utilized the three traditional approaches to value in arriving at their conclusion. The appraisal contains an estimate of value below the market value reflected by the assessment.

The board of review provided information on four raw sales that were not adjusted for time or differences from the subject property. In reviewing this data the Board finds that board of review comparables sales #3 and #4 appear to be outliers with unit prices of \$98.64 and \$212.05 when compared to the remaining sales in this record. Therefore, the Board gives sales #3 and #4 little weight.

The Board also takes notice that the subject property was the subject matter of appeals before the Property Tax Appeal Board for the 2005 and 2006 tax years in which it issued decisions reducing the subject's assessment in each of those years to \$266,000. This assessment reflects a market value of \$700,000 or \$57.85 per square foot of building area, including land, when using the Ordinance level of assessment of 38% for commercial property. This estimated market value is within the range established by the unadjusted sales prices in the appellant's appraisal and similar to the unit prices for board of review comparable sales #1 and #2 that sold in February 2004 and January 2004 for prices of \$59.21 and \$69.00 per square foot of building area, including land, respectively. The Board also takes notice tax years 2005 through 2007 are within the same general assessment period for Palos Township. (86 Ill.Admin.Code 1910.90(i)).

Based on this record, and considering 2005 through 2007 are within the same general assessment period, the Board finds that the assessment as established in the 2005 and 2006 appeals is appropriate and a reduction is accordingly 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: 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.