FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Jamal Ismail
DOCKET NO.: 08-24410.001-C-1
PARCEL NO.: 18-28-200-045-0000

The parties of record before the Property Tax Appeal Board are Jamal Ismail, the appellant(s), by attorney Anthony M. Farace, of Amari & Locallo 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:	$16,541
IMPR.:	$91,840
TOTAL:	$108,381

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property contains approximately 24,875 square feet of land improved with a 22-year old, one-story, masonry, commercial 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 Matthew Kang and Gary Peterson with Peterson Appraisal Group, Ltd. The appraisal report states that Kang is an associate real estate appraiser while Peterson is a certified general real estate appraiser who holds the MAI designation. The appraisers stated that the subject had an estimated market value of $210,000 as of January 1, 2008.

The appraisers describe the subject's site as 24,875 total square feet of land with only 17,255 square feet as the main/economic site. They describe how the front portion of the land is reportedly undevelopable due to the existence of utility and access easements.

As to the history of the subject property, the appraisers stated that the subject was purchased in June 2007 for a value of $450,000, but that this sale also included equipment and business interest. In addition, the appraisers assert it was reported that since the purchase the business interest has reported a downward trend and the business closed. The appraisal indicates ownership has attempted to sell the property and is currently attempting to lease it; no listing price or lease information was provided in the appraisal. 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 the client understands and accepts the lower level of reliability due to the reduced scope of services and the omission of the income capitalization and cost approaches. In addition, the appraisal report states that the subject property was inspected on May 1, 2009, which is over one year after the effective date of this appraisal without further elaboration. The descriptions of the property in the appraisal relate to the inspection date and not the valuation date with the assumption that the conditions were the same as of the valuation date.

As to the subject's highest and best use, as vacant, the appraisers opined that no development would be anticipated at this time; while the subject's highest and best use, as improved, was its current use.

Under the sales comparison approach, the appraisers analyzed the sales of five suggested comparables located outside the subject’s immediate area. The properties are described as one-story, masonry, banquet and/or restaurant buildings. They range: in age from 17 to 53 years; in improvement size from 2,750 to 12,000 square feet of living area; and in land-to-building ratio from 1.36:1 to 5.73:1. These suggested comparables sold from January 2005 to January 2008 for prices that ranged from $50.00 to $100.00 per square foot of building area, including land. Comparable #1 included the sale of the business equipment and inventory and a downward adjustment was made for this without quantification. The appraisers indicated that no adjustments were made for financing terms, property rights, condition of sale, market conditions and location of subject in an industrial/manufacturing district. The appraisers made downward adjustments for location and upward adjustments for age, size, and land to building ratio for comparables #2 and #4. 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 $80.00 per square foot or $210,000 rounded, as of January 1, 2008. 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

$108,381 was disclosed. The subject's final assessment yields a fair market value of $285,213 or $111.24 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 April 2007 for a price of $450,000 or $175.51 per square foot of building area. The analysis reiterates the appraisers opinions on the sale, but asserts the appellant failed to submit any evidence to show that the sale included the business interest and equipment.

In support of this sale at market value, the board of review submitted a copy of the subject's Trustee Deed and Illinois Real Estate Transfer Declaration, PTAX-203, indicating the subject sold in June 2007 for $450,000. In addition, the PTAX-203 states: in Line #7 that the property was advertised for sale or sold using a real estate agent; in Line #11 that the full actual consideration was $450,000; in Line #12a that the amount of personal property was $0.00; and in Line #13 that the net consideration for real property was $450,000.

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 and located outside the subject’s immediate area. These properties are described as one-story, masonry, restaurant or general freestanding, commercial buildings. They range in age from 2 to 52 years and in improvement size from 3,500 to 7,000 square feet of building area. The properties sold from April to October 2008 for unadjusted prices ranging from $97.20 to $298.14 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 the failure to perform these approaches lowers the level of reliability of the final conclusion of value. In addition, the appraisers inspected the subject property over one year after the valuation date which is the lien date and assumed the condition was the same.

Furthermore, the Board finds that the appraisal stated that the subject was purchased in June 2007. However, the Board finds that the appraisers failed to credibly determine and show that this sale included business interest and equipment. 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 or sold using a real estate agent; in Line #11 that the full actual consideration was $450,000; in Line #12a that the amount of personal property was $0.00; and in Line #13 that the net consideration for real property was $450,000.

As to the appraisers' sales comparison approach to value, the Board finds that comparable #1 included the sale of business equipment and inventory and that there was insufficient explanation as to the downward adjustments made to this property to have it credibly represent a value for the real estate only. The Board finds that the inclusion of this property creates an unreliable adjusted range and results in a conclusion of value based using this comparable 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 most weight.

The Board finds that both parties submitted sales data on a total of 10 sales of one-story, masonry, restaurant/banquet or freestanding, commercial buildings. The Board finds the appellant’s comparables #2 and #3 and the board of review’s comparable #4 most similar to the subject and therefore, received the most weight in the analysis. These properties sold from May 2005 and October 2008 for prices that ranged from $50.00 to $132.86 per square foot of building area. In comparison, the subject's total assessment reflects a market value of $111.24 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.

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: December 20, 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.