



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

APPELLANT: Theodore Nazarowski
DOCKET NO.: 08-24514.001-R-1
PARCEL NO.: 13-20-203-007-0000

The parties of record before the Property Tax Appeal Board are Theodore Nazarowski, the appellant(s), by attorney Michael Elliott, of Elliott & Associates, P.C. in Des Plaines; 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: \$ 5,780
IMPR.: \$ 21,828
TOTAL: \$ 27,608

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 3,075 square feet of land improved with a 80-year old, one-story, masonry constructed, mixed use building containing 1,408 square feet of building area. The appellant argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant's pleadings included a income analysis of the subject property with an effective date of January 1, 2006 undertaken by Ronda Sandic, a certified associate real estate appraiser, Gary M. Skish, vice president of First Real Estate Services, LTD., and reviewed and approved by Gary T. Peterson who holds an MAI/MBA designation and is a certified general real estate appraiser. The appraisers estimated a market value for the subject of \$130,000 based on the income approach to value.

Under the income approach, the appraisers reviewed market conditions, existing leases and estimated the subject's potential net operating income at \$12,730.

The appraiser noted an overall capitalization rate for the subject based upon its size, condition and location. Applying the overall capitalization rate of 9.61% to the net operating income resulted in a final value under the income approach of \$130,000, rounded. Based upon this data, the appellant requested a reduction in the subject's market value.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$27,604 for the tax year 2008. The subject's assessment reflects a market value of \$287,541 or \$204.21 per square foot using the Cook County Ordinance Level of Assessment for Class 2, residential property of 9.60%.

In support of the subject's assessment, the board of review submitted descriptive and assessment information for four properties suggested as comparable to the subject. The comparables are described as one-story, masonry, mixed use buildings. Additionally, the comparables range: in age from 48 to 81 years; in size from 1,058 to 1,798 square feet of building area; and in improvement assessments from \$15.48 to \$23.85 per square foot of building area. The comparables also have several amenities. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After considering the arguments and 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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3d Dist. 2002; Winnbago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d (2d Dist. 2000). 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. 86 Ill. Admin. Code 1910.65(c). Having considered the evidence presented, the Board concludes that the evidence indicates a reduction in the subject's assessment is not warranted.

The Board gives little weight to the appellant's appraisal. This appraisal did not include any sales comparables. The appraisal indicates that since the subject property is an income-producing operation that requires intensive "hands on" management, it is difficult to separate the market value of the land and the building from the total value of the business. The court has held that "[w]here the correctness of the assessment turns on market value and there is evidence of a market for the subject property, a taxpayer's submission that excludes the sales

comparison approach in assessing market value is insufficient as a matter of law." Cook Cnty. Bd. of Review v. Ill. Prop. Tax Appeal Bd., 384 Ill. App. 3d 472 at 484 (1st Dist. 2008). The Illinois Appellate Court recently revisited this issue in Bd. of Educ. of Ridgeland Sch. Dist. No. 122, Cook Cnty. v. Prop. Tax Appeal Bd., 2012 IL App. (1st) 110,461 (the "Sears" case). In Sears, the court stated that, while the use of only one valuation method in an appraisal is not inadequate as a matter of law, the evidence must support such a practice and the appraiser must explain why the excluded valuation methods were not used in the appraisal for the Board to use such an appraisal. Id. at ¶ 29. In this case, the evidence does not show that their exclusion is standard practice when appraising property that is similar to the subject. The analysis did not use sale comparables. Therefore, the Board finds that reliance on the appellant's appraisal would be deficient as a matter of law, and, thus, no reduction is warranted based on the appellant's market value argument.

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: November 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.