



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

APPELLANT: Harris Bank
DOCKET NO.: 09-20491.001-C-1
PARCEL NO.: 28-10-228-034-0000

The parties of record before the Property Tax Appeal Board are Harris Bank, the appellant(s), by attorney Patrick C. Doody, of The Law Offices of Patrick C. Doody in 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: \$22,992
IMPR.: \$57,008
TOTAL: \$80,000

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 17,518 square foot parcel of land improved with a 40-year old, one-story, masonry, commercial, bank building containing 4,019 square feet of building area. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Terrence P. McCormick, MAI of McCormick & Wagner, LLC. The report indicates McCormick is State of Illinois certified general appraisers and has the designation of a MAI. The appraiser indicated the subject has an estimated market value of \$320,000 as of January 1, 2008. The appraisal report utilized the three traditional approaches to value to estimate the market value for the subject property. The appraisal finds the subject's highest and best use is its present use.

Under the cost approach to value, the appraiser analyzed five land sales to estimate the value of the land at \$6.00 per square foot or \$105,000, rounded. The reproduction cost new was

utilized to determine a cost for the improvement at \$865,773. The appraiser used the direct market analysis to depreciate the improvement by 75% for a value of \$649,330. The land was added back in to establish a value under the cost approach of \$320,000, rounded.

In the income approach to value, the appraiser analyzed data on seven rental comparables to estimate potential gross income at \$82,390. Vacancy and collection loss of 10% was deducted to arrive at an effective gross income of \$74,151. Expenses were estimated at \$16,076 for a net operating income of \$58,075. The band of investment and comparative market methods was utilized to establish a capitalization rate of 10.25% that was then loaded to 19.5% for an estimate of value under the income approach of \$300,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of six masonry, one thru two-story, commercial, single or multi-tenant buildings located within the subject's market. The properties contain between 3,940 to 11,895 square feet of building area. The comparables sold from February 2007 to March 2008 for prices ranging from \$275,000 to \$595,000, or from \$50.02 to \$81.21 per square foot of building area, including land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$60.00 per square foot of building area for the first floor and \$20.00 per square foot for the basement or \$320,000, rounded.

In reconciling the three approaches to value, the appraisal found the sales comparison approach to be the most important approach with secondary consideration on the income approach to arrive at a final estimate of value for the subject as of January 1, 2008 of \$320,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$110,519 was disclosed. The subject's final assessment reflects a fair market value of \$442,076 when the Cook County Real Property Assessment Classification Ordinance level of assessment of 25% for Class 5a property is applied. The board also submitted raw sales information on seven properties suggested as comparable. The properties sold from January 1997 to August 2008 for prices ranging from \$395,000 to \$3,550,000 or from \$82.29 to \$820.00 per square foot of building area, including land. 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 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.

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, 331Ill.App.3d 1038 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd 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 PTAB concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraisers utilized the three traditional approaches to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraisers: have experience in appraising; personally inspected the subject property and reviewed the property's history; estimated a highest and best use for the subject property; utilized appropriate market data in undertaking the approaches to value; and lastly, used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary.

The PTAB gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made.

Therefore, the PTAB finds that the subject property had a market value of \$320,000 for the 2009 assessment year. Since the market value of the subject has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment of 25% for Class 5a property will apply. In applying this level of assessment to the subject, the total assessed value is \$80,000 while the subject's current total assessed value is above this amount. Therefore, the PTAB finds that a reduction is 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.

Acting 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 23, 2011

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.