



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

APPELLANT: Stephanie Sherrod
DOCKET NO.: 09-33470.001-C-1
PARCEL NO.: 20-09-211-052-0000

The parties of record before the Property Tax Appeal Board are Stephanie Sherrod, the appellant(s), by attorney Edward P. Larkin, of Edward P. Larkin, Attorney at Law 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: \$ 7,853
IMPR.: \$ 45,456
TOTAL: \$ 53,309

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2009 tax year. The Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject consists of a three-story apartment building with 10,800 square feet of building area. The property has a 5,950 square foot site, and is located in Lake Township, Cook County. The subject is classified as a class 3-15 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of the market value argument, the appellant submitted

income/expenses sheets for the years 2007 and 2008, a copy of the Schedule E's from the appellant's federal income tax returns for the subject property for 2007 and 2009, 2009 rent roll, and an income/expense analysis which derived a market value for the subject of \$175,257. In addition, the appellant submitted the 2008 board of review reduction notice, copies of Hoyne Savings & Loan Association v. Hare and 400 Condominium Assn' v. Tully decisions, and stated in the petition that part of the subject is partly vacant. No further evidence was submitted regarding vacancy. Based upon this data, the appellant requested a reduction in the subject's market value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$53,309. The subject's assessment reflects a market value of \$213,236, or \$19.74 per square foot of building area, including land, when applying the 2009 statutory level of assessment for commercial property under the Cook County Real Property Assessment Classification Ordinance of 25.00%. In support of its contention of the correct assessment and market value, the board of review submitted information on five comparable sales from the CoStar Comps Service.

In rebuttal, the appellant's attorney states that the board of review did not address the subsequent reduction or occupancy argument.

At hearing, the appellant's attorney and board of review analyst reviewed the evidence submitted.

Conclusion of Law

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. 86 Ill.Admin.Code §1910.63(e). 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant submitted documentation showing the income of the subject property. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Prop. Tax Appeal Bd., 44 Ill.2d 428 (1970), the Illinois Supreme Court stated:

[I]t is clearly the value of the "tract or lot of real 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 that 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. at 431.

As the Court stated, actual expenses and income can be useful when shown that they are reflective of the market. Although the appellant made this argument, the appellant did not demonstrate, through an expert in real estate valuation, that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income, one must establish, through the use of market data, the market rent, vacancy and collection losses, and expenses to arrive at a net operating income reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence and, therefore, the Board gives this argument no weight. Thus, the Board finds that a reduction is not warranted based on the appellant's income and expense analysis.

Evidence showing that the subject received a reduction in a later year is admissible, and can be a relevant factor in determining whether the assessment for the tax year at issue is grossly excessive. Hoyne Savings & Loan Ass'n v. Hare, 60 Ill. 2d 84, 90 (1974). However in this appeal, the appellant did not submit a subsequent reduction but a prior year's reduction. Therefore, the Board finds that, under Hoyne, it cannot consider the 2008 reduction by the board of review and a reduction is not warranted.

Lastly, the appellant in the petition stated that the subject was partly vacant but did not provide any further support or evidence of vacancy. Due to lack of evidence, the Board finds that a reduction based on vacancy 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: September 19, 2014



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.