



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

APPELLANT: James Roupas  
DOCKET NO.: 09-34110.001-C-1 through 09-34110.003-C-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are James Roupas, the appellant, by attorney Brian P. Liston of the Law Offices of Liston & Tsantilis, P.C., Chicago, Illinois; 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
09-34110.001-C-1	24-02-428-039-0000	9,703	13,361	\$23,064
09-34110.002-C-1	24-02-428-040-0000	22,703	32,215	\$54,918
09-34110.003-C-1	24-02-428-049-0000	17,465	24,553	\$42,018

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property is composed of the three parcels with a combined land area of 14,777 square feet. The property is improved with a one-story commercial building with 6,000 square feet of building area. The subject has a land to building ratio of 2.46:1. The property is located in Evergreen Park, Worth Township, Cook County. The property is classified as a class 5-17 one-story commercial building and is to be assessed at 25% of market value pursuant to the Cook County Real Property Assessment Classification Ordinance ("Ordinance").

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. In support of this overvaluation argument the appellant submitted information on four comparable sales improved with what appear to be one-story commercial buildings that range in size from 4,300 to 8,000 square feet of building area.<sup>1</sup> The buildings range in age from 25 to 82 years old. The comparables have sites that

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<sup>1</sup> The listings of the comparables provided by the appellant have photographs that depict one-story buildings.

range in size from 4,596 to 13,504 square feet of land area resulting in land to building ratios ranging from .66:1 to 2.54:1. The comparables were located in Evergreen Park and Chicago. The sales occurred from October 2006 to February 2008 for prices ranging from \$299,000 to \$750,000 or from \$45.45 to \$93.75 per square foot of building area, including land.

The appellant also submitted an unsigned income analysis using the subject's 2007 through 2009 income and expenses as reported on Schedule E - Supplemental Income and Loss for federal income tax purposes to arrive at stabilized net income of \$82,859. Using a capitalization rate of 19.315% the preparer of the income analysis estimated the subject property had an indicated market value of \$428,980.

The appellant also submitted a copy of the final decision issued by the Cook County Board of Review establishing a total assessment for the subject of \$148,851, which reflects a market value of approximately \$595,404 or \$99.23 per square foot of building area, including land, using the Ordinance level of assessments of 25% for class 5-17 property. Based on this evidence the appellant requested the subject's assessment be reduced to \$107,245 which equates to a market value of \$428,980 or \$71.50 per square foot of building area, including land.

The board of review did not timely submit its "Board of Review Notes on Appeal" and evidence in support of its assessed valuation of the subject property. By letter dated October 25, 2012, the Property Tax Appeal Board found the board of review to be in default.

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 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 best evidence of market value in the record is the comparable sales submitted by the appellant. The Board finds the subject's assessment reflects a market value above the range established by the appellant's comparables on a square foot basis. The board of review did not submit any evidence in support of its assessment of the subject property or to refute the appellant's argument as required by section 1910.40(a) of the

rules of the Property Tax Appeal Board and is found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code 1910.40(a) & 1910.69(a)).

The appellant also submitted an income analysis using the subject's actual income and expenses. The Board finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

[I]t is 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. Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d at 431.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate with any evidence in this record that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using an income approach, as the appellant attempted, 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. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant did not provide such evidence; therefore, the Property Tax Appeal Board gives this aspect of his argument no weight.

The Board further finds the fact that it was not disclosed who in fact prepared this income analysis further undermines the weight that can be given this estimate of value.

Based on this record, giving primary weight to the comparable sales, the Property Tax Appeal Board finds a reduction in the subject's assessment is appropriate.

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.



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Chairman



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Member



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Member



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Member



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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: April 19, 2013



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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.