



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

APPELLANT: Robert Geary  
DOCKET NO.: 10-21840.001-C-1  
PARCEL NO.: 28-17-401-009-0000

The parties of record before the Property Tax Appeal Board are Robert Geary, the appellant(s), by attorney Edmund P. Boland, of Carey Filter White & Boland 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:** \$65,405  
**IMPR.:** \$9,594  
**TOTAL:** \$75,000

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a parcel of land improved with a 45-year old, one-story, medical building. The appellant argued that the market value of the subject property was not accurately reflected in its assessed value as the basis of this appeal.

In support of the market value argument, the appellant submitted a summary appraisal report of the subject property with an effective date of January 1, 2008. The appraiser estimated a market value for the subject of \$300,000 based upon the three traditional approaches to value. The appraisal indicated the subject was inspected and listed the subject's lot size at 42,628 square feet.

As a preliminary matter at hearing, the board of review's representative, Roland Lara, argued that the appraisal in evidence does not value the property as of the lien date in question and, therefore, should be stricken from the record or given no weight. He referenced 355 ILCS 200/9-155 and a recent decision of the Property Tax Appeal Board (Board), 10-23666.001-

R-1, to support his argument. In that appeal, the appraisal valued that property as of "tax year 2010". The Board found that there was no valuation date and that the subject property should be valued as of the lien date.

The appellant called his witness, Michael T. Gilligan. Mr. Gilligan testified he is an Illinois licensed real estate appraiser, has been for 15 years, and is currently employed by Schlitz Appraisal Services, Inc. Mr. Gilligan was accepted as an expert witness in appraisal practice without objection from the board of review.

Mr. Gilligan testified that he performed an analysis of the three traditional approaches to value to arrive at a value for the subject and that he followed the Uniform Standards of Professional Appraisal Practice. He testified he inspected the subject in September 2006 and July 2008. Gilligan described the subject property and testified the lot size is just less than one acre. He testified the subject is a split-level, single-family dwelling that was retrofitted to become a dental office. He testified to the value of the subject as of January 1, 2008 as \$300,000.

Gilligan testified he was familiar with values within Bremen Township that values declined from 2008 to 2010. He opined that it was possible that the subject's value declined from 2008 to 2010, but that he did not submit any evidence to show this reduction in market value. The appraiser testified he valued the land because it is part of the assessment process and to determine the highest and best use of the land.

Under the cost approach to value, the appraiser analyzed the sale of five properties to arrive at an estimate of value for the land at \$1.71 per square foot or \$75,000, rounded. The replacement cost new was utilized to determine a cost for the improvement at \$411,848. The appraiser applied 5% to this cost for entrepreneurial profit to arrive at a total cost of \$432,440. The appraiser estimated depreciation at 47% for a value of \$229,193. Depreciated site improvements of \$9,800 and the land value were added back in to establish a value under the cost approach of \$315,000, rounded.

In the income approach to value, the appraiser analyzed the rents of five properties to estimate potential gross income at \$13.79 per square foot of above grade building area or \$45,603. Vacancy and collection were estimated at 3% for an effective gross income of \$44,235. Expenses were estimated at \$43,169 to arrive at a net operating income of \$37,205. The appraiser analyzed the gross income multiplier of 5.99, a direct capitalization rate of 12.79%, and a mortgage equity rate of 12.755% to determine the value under the income approach of \$290,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of five one, one and part two, or two-story, masonry office buildings located within the subject's market. The properties

range in age from 18 to 64 years and in size from 2,500 to 6,700 square feet of gross building area. The comparables sold from March 2005 to April 2007 for prices ranging from \$275,000 to \$699,000, or from \$60.31 to \$148.00 per square foot of gross building area. The appraiser adjusted each of the comparables for differences between the properties. He testified that adjustments need to be made and that he made quantitative adjustments. The appraiser testified he attempted to use the most recent adjustments so no adjustment for time would be necessary. The appraiser testified that sale #5 was also a house that was converted into medical offices. Based on the similarities and differences of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$66.46 per square foot of gross building area or \$300,000, rounded.

In reconciling the approaches, the appraiser testified he gave most weight to the sales comparison approach to arrive at a final conclusion of value for the subject of \$300,000.

On cross-examination, the witness testified the sales comparison approach was the most reliable approach because the property is owner/occupied. He acknowledged that he did perform an income approach to value. The appraiser reiterated that sale #5 was a house that was converted into offices and acknowledged that this property sold for \$68.51 per square foot of gross building area. He also acknowledged that he found a value for the subject under the sales comparison approach of \$66.46 per square foot of gross building area.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$79,941 was disclosed. This assessment reflects a fair market value of \$319,764 when the Cook County Real Property Assessment Classification Ordinance level of assessments of 25% for Class 5a property is applied. The board of review submitted a memorandum which lists the subject as containing 3,307 square feet of building area.

In support of the subject's assessment, the board of review presented descriptions and sales information on a total of four properties. These properties are described as medical office buildings containing between 3,457 and 6,000 square feet of building area. They sold from March 2005 to January 2009 for prices ranging from \$350,000 to \$1,080,000 or \$91.35 to \$209.00 per square foot of building area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

Mr. Lara argued that the appellant did not meet his burden of proof and rested on the evidence previously submitted.

In rebuttal, the appellant recalled Mr. Gilligan. He testified he reviewed the board of review's evidence and that this evidence indicates it is not an appraisal or an estimate of value. He

also testified that the evidence indicates no adjustments were made to these sales and were not verified. Mr. Gilligan opined that sale #1 is slightly aged and that this is a good comparable to the subject. He testified that sales #2 and #3 sold after the date of value, are newer and were leased at the time of sale. He testified sale #4 was also leased at the time of sale.

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 gives no weight to the board of review's argument that, based on a prior Board decision of another decision, the appellant's appraisal does not value the subject as of the lien date and should be given no weight. Each appeal before the Board "shall be based upon equity and the weight of the evidence." Bd. of Educ. of Ridgeland Sch. Dist. No. 122, Cook Cnty. v. Prop. Tax Appeal Bd., 2012 IL App. (2d) 110,461, (1st Dist. 2012); 35 ILCS 200/16-185. In other words, each appeal to the Board is necessarily fact specific, and must be based upon the particular record of each case. See Ridgeland Sch. Dist., 2012 IL App. (2d) 110,461. Thus, the Board's decision in appeal number 10-23666.001-R-1 is not binding on the Board in this appeal. Therefore, the Board finds that the appraisal has been timely admitted into evidence and will be given its property weight.

Moreover, the Board finds that 355 ILCS 200/9-155 addresses the assessor's responsibility in valuing each property and does not address the appellant's responsibility in submitting evidence for an appeal before the Board and finds the board of review's argument in this regard unpersuasive.

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 (3<sup>rd</sup> Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> 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).

In determining the fair market value of the subject property, the Board thoroughly considered the parties' evidence and finds the best evidence to be the appellant's appraisal. The Board finds this appraisal to be persuasive for the appraiser inspected the subject property and developed the three traditional approaches to value in estimating the subject's market value. The appraiser was present and credibly testified to the appraisal; he was also available for cross-examination. Moreover, market data was used to obtain improved sale comparables while providing sufficient detail regarding each sale as well as appropriate adjustments, where necessary.

Therefore, the Board finds that the subject property contained a market value of \$300,000 for tax year 2010. Since the market value of the subject has been established, the Cook County Ordinance level of assessment of 25% for class 5a, commercial property will apply and 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.*

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: February 21, 2014

*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.