



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

APPELLANT: Rocco Pavone
DOCKET NO.: 10-23946.001-C-1 through 10-23946.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Rocco Pavone, the appellant(s), by attorney Scott Shudnow, of Shudnow & Shudnow, Ltd. 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
10-23946.001-C-1	18-36-402-042-0000	64,549	197,425	\$261,974
10-23946.002-C-1	18-36-402-068-0000	2,936	90	\$3,026

Subject only to the State multiplier as applicable.

ANALYSIS

The subject consists of a one-story retail strip center of masonry construction with 14,000 square feet of building area. The building is 29 years old. The subject is located on a 46,947 square foot site in Lyons Township, Cook County. The subject is classified as a class 5-17 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal signed by Audrey Davis, MAI, and Nicholas Pellecchia, Associate Appraiser, of Urban Real Estate Research, Inc., that estimated the subject property had a market value of \$1,060,000 as of January 1, 2010. Mr. Pellecchia indicated he inspected the subject property on April 8, 2011.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$336,529. The subject's assessment reflects a market value of \$1,346,116, or \$94.13 per square foot of building area, including land, when applying the 2010 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, the board of review submitted information on four comparable sales from the CoStar Comps Service. The board of review's comparables range in size from 10,890 to 19,000 square feet and range in sale price from \$71.02 to \$236.00 per square foot of building area.

In written rebuttal, the appellant's attorney indicated that the board of review did not submit an appraisal, and that the board's sales comparables were not sufficiently analyzed. In addition, the appellant's attorney stated various reasons why each of the board's comparables should be given little weight.

The appellant's appraiser, Ms. Davis testified that she has been an appraiser since 1987 and has held the MAI designation since 1993. Mr. Pellecchia testified that he has been an associate appraiser since 2008. Neither Ms. Davis nor Mr. Pellecchia testified regarding the cost approach; however, the previously submitted appraisal opined the subject's value indicated by the cost approach was \$1,060,000.

Using the sales approach to value, Mr. Pellecchia stated he found properties located near the subject. After adjustments, Mr. Pellecchia opined a value for the subject of \$75.00 per square foot, or \$1,050,000, rounded. Under the income approach, the appraisers used the subject property's actual leases in addition to leases in the marketplace. Using the income approach, the appraisers opined a stabilized income of \$18.50 per square foot. Expenses were based on historical expenses, nearby comparables, and information from Dollars and Cents. The appraisers utilized a capitalization rate of 10.40% and a tax load of 6.30% to reach an opined value of \$1,050,000, rounded.

Mr. Pellecchia indicated that the subject property is located near the corner of Harlem and 84th Street; however, the subject has limited visibility on 84th Street. In addition, the appraiser stated that he did not know the traffic count for the subject or the comparables. Mr. Pellecchia conceded that traffic count is a relevant factor in valuing property; however, traffic count is more relevant to the investment value of a property as opposed

to the value of the real estate after it is occupied. In addition, Mr. Pellecchia stated his opinion of value was based on the sales and income approaches, but that he put the most weight on the income approach.

On cross examination, Mr. Pellecchia indicated that the sales comparables suffered from vacancy, but that adjustments were made to account for this factor.

Ms. Davis also indicated that traffic count is more relevant to the investment value of a property as opposed to the value of the real estate. She stated that traffic count is important to a developer, but once a property is occupied, investors are more concerned with the income producing ability of the property.

The board of review rested on its previously submitted sales comparable evidence.

The appellant's attorney took issue with each of the board of review's comparables. He then argued that the board of review's comparables should not be given any weight as there were no adjustments for condition, financing, market condition, location, age, size, or parking.

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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the appraisers testified that they considered both the income and sales approaches to value. The Board notes that the appraisers valued the subject at \$1,060,000 using the income approach and \$1,050,000 using the sales approach. As the values are substantially similar using either approach, the Board finds it is not necessary to discuss which method should have been granted more weight. The Board finds the appraisal is sufficient pursuant to Cook County Board of Review v. Property Tax Appeal Board, 384 Ill. App.3d 472(2008) ("Omni"), Board of Education of Meridian Community School District No. 223 and The Ogle County Board of Review v. Property Tax Appeal Board and

Onyx Orchard Hills Landfill, Inc., 2011 IL App. (2d) 100068 ("Onyx"), and Board of Education of Ridgeland School District 122 v. Property Tax Appeal Board, Cook County Board of Review, South Cook Mosquito Abatement District, and Sears Roebuck & Company, 2012 IL App. (1st) 110461 ("Sears"). As such, the Board finds the best evidence of market value to be the appraisal submitted by the appellant.

The Board finds the subject property had a market value of \$1,060,000 as of the assessment date at issue. Since market value has been established the 2010 statutory level of assessment for commercial property under the Cook County Real Property Assessment Classification Ordinance of 25.00% shall apply. 86 Ill.Admin.Code §1910.50(c)(3).

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.

Ronald R. Crit

Chairman

K. L. Tran

Member

Richard A. Huff

Member

Mario M. Lino

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: November 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.