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

APPELLANT: Michael B. Junius, Sr.
DOCKET NO.: 06-22953.001-R-1
PARCEL NO.: 08-23-201-048-0000

The parties of record before the Property Tax Appeal Board are Michael B. Junius, Sr., the appellant(s), by attorney Dennis M. Nolan, of Dennis M. Nolan, P.C. in Bartlett; 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:

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| **LAND:** | $ | 4,065 |
| **IMPR.:** | $ | 47,002 |
| **TOTAL:** | $ | 51,067 |

Subject only to the State multiplier as applicable.

## ANALYSIS

The subject property consists of a 2,310 square foot parcel improved with a 27-year-old, six-unit, two-story, multi-family dwelling of masonry construction containing 4,050 square feet of living area with six full bathrooms and a full-finished basement apartment. The subject is located in Elk Grove Township, Cook County.

The appellant, through counsel, submitted evidence before the Property Tax Appeal Board arguing that the fair market value of the subject is not accurately reflected in its assessed value as the basis for this appeal. As to the market value argument, the appellant's attorney prepared and submitted an "income approach", using the subject's actual income and expenses.

The appellant also submitted sales data on three properties suggested as comparable to the subject. Based on the appellant's documents, the three properties consist of four or six-unit, 28 or 29-year-old, multi-family dwellings located within the subject's neighborhood. The improvements range in size from 4,050 to 4,935 square feet of living area and range in lot size from 2,310 to 2,776 square feet. These properties sold from September 1986 to August 1999 for prices ranging from $207,500 to $295,000. No other descriptive data was provided. The appellant also provided tax data and assessment data for years 2002, 2003 and 2004 for the three suggested comparables. Based on these analyzes, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the subject's total assessment of $51,067. The subject's improvement assessment is $47,002 or $11.61 per square foot of living area. In support of the assessment the board submitted property characteristic printouts and descriptive data on three properties suggested as comparable to the subject. The suggested comparables are improved with 27-year-old, two-story, six-unit, 4,050 square foot, multi-family dwellings of masonry construction located on the same street and block as the subject. The comparables contain six full bathrooms and a full-finished basement apartment. The improvement assessments range from $11.57 to $11.61 per square foot of living area. Based on the evidence presented, the board of review requested confirmation of the subject's assessment.

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 (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 arms-length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Adm.Code §1910.65(c). Having considered the evidence, the Board finds the appellant has not satisfied this burden.

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" 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, which 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 428 at 430-431.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate that the subject's actual income and expenses were 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. 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 failed to follow this procedure in developing the income approach to value; therefore, the Property Tax Appeal Board gives this argument no weight.

Next, the Property Tax Appeal Board finds that the appellant submitted three properties as suggested comparables to the subject. The Board places little weight on the appellant's comparables in that the sales are too old and dated to be considered a reliable indicator of market value. In addition, the tax and assessment data provided for the three properties only applied to years 2002, 2003 and 2004. Moreover, the appellant failed to provide adequate descriptions of the properties; therefore, the Board finds it is impossible to evaluate their comparability to the subject. The Board gives little weight to the board of review's comparables as the information provided fails to address the appellant's market value argument.

Considering all of the evidence, the Property Tax Appeal Board finds that the appellant has failed to adequately demonstrate by a preponderance of the evidence that the subject property is overvalued. Therefore, the Property Tax Appeal Board finds that a reduction in the subject's assessment 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

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| 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: August 20, 2010

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.