



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

APPELLANT: Dimitrios Merageas
DOCKET NO.: 07-23722.001-C-1
PARCEL NO.: 09-11-300-068-0000

The parties of record before the Property Tax Appeal Board are Dimitrios Merageas, the appellant(s), by attorney Michael Elliott, of Elliott & Associates, P.C. in Des Plaines; 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: \$81,725
IMPR: \$125,375
TOTAL: \$207,100

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 25,302 square foot parcel of land improved with a 41-year old, one-story, masonry, commercial restaurant building containing 4,153 square feet of building area. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value as the basis of the appeal.

In support of the market value argument, the appellant submitted an appraisal undertaken by Gary M. Skish and Gary T. Peterson of First Real Estate Services, Ltd. The report indicates Skish and Peterson are State of Illinois general certified appraisers and Peterson holds the MAI designation. Skish was the appellant's only witness. Skish testified has been an appraiser for 15 years and is licensed in Illinois and Indiana. He testified he is currently vice president of First Real Estate and has appeared before the board of review and the Property Tax Appeal Board in multiple counties. He estimated he participated in the appraisal process for in excess of 2,000 appraisals and supervised on the appraisal for the subject property.

The appraisal indicated the subject has an estimated market value of \$545,000 as of January 1, 2007. Skish testified he would have looked at data though the 2008 year, but only valued the property for 2007. The appraisal report utilized the cost and sales comparison approaches to value to estimate the market value for the subject property. Skish described the subject property and testified he inspected the property for a previous appraisal. The appraisal finds the subject's highest and best use is its current use.

Under the cost approach to value, the appraiser analyzed the sale of four properties to arrive at an estimate of value for the land at \$14.50 per square foot or \$365,000, rounded. The replacement cost new was utilized to determine a cost for the improvement at \$514,006. The age/life and breakdown methods were used to depreciate the improvement by 65% for a value of \$179,902. Skish testified there were some physical issues with the building that made it unique as a Greek restaurant that would not add value to a new owner which would be considered obsolescence. He also opined that there is a lack of storage and a shortage of parking. Site improvements of \$25,000 and land were added back in to establish a value under the cost approach of \$570,000, rounded.

The income approach was omitted within the appraisal. Skish testified that the income approach was considered, but that these types of rental properties typically include the furniture, fixtures and equipment (FF&E) and business value which could affect the rental rates. Therefore, the appraisal opines this approach would not be applicable to the subject property.

Under the sales comparison approach, the appraiser analyzed the sales of four properties. The properties range in effective age from 15 to 35 years and in size from 2,500 to 35,200 square feet of building area. The comparables sold from April 2004 to January 2005 for prices ranging from \$112.22 to \$142.05 per square foot of building area, including land. Skish testified that many of these types of properties include the FF&E within the sale and that those sales had to be excluded from analysis along with leased fee sales. He testified that this is why the comparables a little farther out in location, but opined they were not too far in distance.

Skish testified he made adjustments to each of the comparables for pertinent factors such as market conditions, size, land to building ratios, and age. He testified he first examined database systems to gather comparable sales and verified those sales with county records. He testified he did not personally speak to the parties of the sale, but that the other appraiser may have. 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 \$135.00 per square foot of building area or \$545,000, rounded. Oppedisano testified he verified the sales information with a party to the sale.

In reconciling the two approaches to value, the appraisal gave primary emphasis to the sales comparison approach and least emphasis to the income approach to value to arrive at a final estimate of value for the subject as of January 1, 2007 of \$545,000.

Under cross-examination, Skish reiterated he did not inspect the subject for this particular appraisal, but that another appraiser did inspect the property. In addition, he acknowledged that he did not perform an interior inspection on the sales comparables, but did perform an exterior inspection.

As to sales comparable #2, Skish acknowledged the property was large, but opined the other factors were similar to the subject to establish a reliable value for the subject. He opined that sales comparables #3 and #4 are the most similar to the subject.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment was \$219,149 yielding a market value of \$576,708 or \$138.87 per square foot of building area, including land, using the Cook County Real Property Classification Ordinance for Class 5a property of 38%. The board also submitted raw sales information on five properties suggested as comparable. The properties range in size from 3,100 to 4,840 square feet of building area and sold from June 2002 to June 2005 for prices ranging from \$650,000 to \$1,734,000 or from \$156.63 to \$487.76 per square foot of building area, including land. The board of review did not call any witnesses and rested on the evidence already submitted.

On cross examination, the board of review's representative, Jabari Jackson, acknowledged that the sales were not adjusted for pertinent factors. He also acknowledged he does not have any personal knowledge of the suggested comparables. Jackson testified that the documentation states the memorandum is not intended as an appraisal or an estimate of value. He testified the board did not extract any business value out of the suggested comparables or determine if there was any. Jackson acknowledged that some of the sale dates were significantly earlier than the lien date in question.

After reviewing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

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 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). Having considered the evidence presented, the PTAB concludes that the appellant has met this burden and that a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal and testimony. The appellant's appraiser utilized the cost and sales comparison approaches to value in determining the subject's market value. The witness credibly testified that the income approach would not be appropriate for the subject property. The PTAB finds the appraisal and testimony to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; and used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. The PTAB gives little weight to the board of review's comparables as the information provided was raw sales data and the board's witness testified that no adjustments were made to these sales nor was the report intended to determine value.

Therefore, the PTAB finds the subject had a market value of \$545,000 for the 2007 assessment year. Since the market value of this parcel has been established, the Cook County Real Property Classification Ordinance for Class 5a property of 38% will apply. In applying this level of assessment to the subject, the total assessed value is \$207,100 while the subject's current total assessed value is above this amount. Therefore, the PTAB finds that 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: August 28, 2012

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.