FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Niranjan Patel
DOCKET NO.: 07-29845.001-C-1 through 07-29845.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Niranjan Patel, the appellant, by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. 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
07-29845.001-C-1	02-02-410-018-0000	17,600	15,916	$33,516
07-29845.002-C-1	02-02-410-019-0000	17,485	21,789	$39,274

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a 43-year old, part one-story and part two-story, masonry, commercial building built in four stages from 1964 through 1976. The mixed-use improvement contains three units therein. The appellant argued: first, that the subject's land and building size are inaccurate; and second, that the market value of the subject property was not accurately reflected in its assessed value as the bases of this appeal.

In support of the market value argument, the appellant, via counsel, submitted an appraisal undertaken by Louis Koroyanis and Mitchell Perlow. The appraisal report states that Koroyanis is an associate real estate appraiser, while Perlow holds the designations of certified general real estate appraiser as well as Member of the Appraisal Institute. The appraisers stated that the subject had an estimated market value of $725,000 as of January 1, 2007.

The appraisal report utilized all three of the traditional approaches to value. In addition, the appraisal report states that the subject property was inspected on September 14, 2007.

After inspection, the appraisers estimated the subject's land size as 39,870 square feet. As to the subject's building, the appraisers noted that the first floor contained two commercial units with 11,610 square feet of building area, while the second floor contained one apartment used by a security guard with 1,772 square feet resulting in a total building area of 13,382 square feet.

As to the subject's highest and best use, as vacant, the appraisers opined that commercial development conforming to zoning was best, while the subject's highest and best use, as improved, was its present use.

Under the cost approach, the appraisers used five land sales. The properties sold from November, 2003, through March, 2005, for prices that ranged from $3.36 to $8.28 per square foot. The appraisers estimated a land value for the subject of $8.00 per square foot or $320,000, rounded. Using the Marshall Valuation Service, the appraisers estimated a replacement cost new for the subject of $1,140,015. Less total depreciation from all sources estimated at 65% while adding the land value and on-site improvements resulted in a market value estimate under this approach of $730,000, rounded.

Under the income approach, the appraisers referred to five rental properties ranging in rental area from 5,016 to 20,000 square feet with net rent ranging from $6.00 to $7.50 per square foot of building area. The appraisers estimated potential gross income of $7.00 per square foot based upon 13,382 square feet or $93,674. Less 10% for vacancy and collection loss and expenses resulted in a net income of $64,721. Capitalizing this net income by 9.00% resulted in a value estimate of $720,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of four suggested comparables located in suburbs neighboring the subject property. They are each improved with a two-story, masonry building used either as either a multi-tenant commercial building or a free-standing, mixed-use building. They range in improvement size from 2,585 to 32,000 square feet of building area. These suggested comparables sold from June, 2004, to February, 2007, for prices that ranged from $33.41 to $59.22 per square foot of building area, including land. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach to value of $54.00 per square foot or $725,000, rounded. In reconciliation, the appraisers accorded most emphasis to the sales comparison approach to value. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The Cook County Board of Review submitted its "Board of Review-Notes on Appeal" wherein the subject's final assessment of $124,185 was disclosed. The subject's final assessment yields a fair market value of $1,236,902 when the Illinois Department of

Revenue three-year median level of assessment for residential properties of 10.04% is applied. The submitted printouts reflect that the subject's land size is 42,995 square feet and that the building size is 15,645 square feet.

As to the subject, the board's analysis reflected that the subject is classified as a mixed-use property, while the four suggested comparables are classified as apartment buildings. Each property was improved with a three-story, masonry building with 6,567 square feet of building area and six apartments therein. As a result of this analysis, the board of review requested confirmation of the subject's assessment.

After reviewing the record and considering the evidence, the Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of this appeal. After submission of the parties' evidence, the appellant waived the right to hearing.

When overvaluation is claimed, the appellant has the burden of proving the value of the property by a preponderance of the evidence. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 86 Ill. Admin. Code § 1910.63(e). 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code § 1910.65(c). Having considered the evidence presented, the Board finds that the evidence indicates reduction is warranted.

The Board finds the best evidence of the subject's size and market value to be the appellant's appraisal. The Board finds that the appellant's appraisers utilized the three traditional approaches to value in developing the subject's market value. The Board also finds the appraisal to be persuasive for the appraisers: have experience in appraising and assessing property; personally inspected the subject property; estimated a highest and best use for the property; and utilized market data in undertaking the various approaches to value, while making adjustments to the comparables where necessary.

Thereby, the Board finds that the subject property contained a market value of $725,000. Since the market value of the subject has been established, the Illinois Department of Revenue's three-year median level of assessment for class 2 property of 10.04% will apply. Therefore, the Board 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.

Chairman

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: July 19, 2013

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.