



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

APPELLANT: Peter Troost
DOCKET NO.: 10-24217.001-C-1
PARCEL NO.: 10-10-406-017-0000

The parties of record before the Property Tax Appeal Board are Peter Troost, the appellant; 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: \$ 21,525
IMPR.: \$ 75,770
TOTAL: \$ 97,295

Subject only to the State multiplier as applicable.

ANALYSIS

The subject has 5,400 square feet of land that is improved with a 32 year old, one-story, masonry, commercial retail/office building. The subject's improvement size is 3,355 square feet of building area, and its total assessment is \$140,759. This assessment yields a fair market value of \$563,036, or \$167.82 per square foot of building area (including land), after applying the 25% assessment level for commercial properties under the 2010 Cook County Classification of Real Property Ordinance. The appellant argued that the fair 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 commercial appraisal report for the subject property with an effective date of January 1, 2010. The appraiser estimated a fair market value for the subject of \$240,000 based on the income and sales comparison approaches to value. The appraiser also conducted an inspection of the subject.

Under the income approach, the appraiser analyzed the rental rates of six properties offered "for lease." He determined that market rent was \$13.50 per square foot on a gross basis, which correlates with the actual rent the appellant is receiving of \$13.77 per square foot gross. After deducting for expenses and applying a total capitalization rate of 16.3%, the appraiser

indicated a value for the subject under the income approach of \$240,000.

Under the sales comparison approach, the appraiser analyzed five sales suggested as comparable. They ranged in size from 5,000 to 10,500 square feet, in age from 26 to 59 years, and in sale price from \$56.00 to \$94.38 per square foot of building area, including land, after an adjustment to comparable #3 for excess land. After making adjustments, the appraiser then determined the proper value of the subject to be \$72.00 per square foot, including land, or \$240,000. 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 \$140,759 was disclosed. In support of the subject's assessment, the board of review submitted a property record card for the subject, and raw sales data for six commercial office or commercial retail buildings located within five miles of the subject. The sales data was collected from the CoStar Comps service, and the CoStar Comps sheets state that the research was licensed to the Cook County Assessor's Office. However, the board of review included a memorandum which states that the submission of these comparables is not intended to be an appraisal or an estimate of value, and should not be construed as such.

The comparables are described as one-story, masonry, commercial office or commercial retail buildings. Additionally, the comparables are from 8 to 44 years old. The comparables sold between January 2007 and February 2010 for \$459,000 to \$1,290,000, or \$163.93 to \$341.67 per square foot of building area, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant testified that one-half of the building is owner-occupied with his cemetery memorial business while the other half is leased to a chiropractor. The appellant also reviewed the relationship between the income generated by his property and his real estate taxes. The board of review's representative indicated the adjustments made by the appraiser were questionable. No objection was made to the submission of the appraisal, however.

After reviewing the record, considering the evidence, and hearing the testimony, the Property Tax Appeal Board (the "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. 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 a reduction is warranted.

The Board finds that the income approach in the appraisal is unpersuasive as the appraiser only suggested properties "for lease" as comparable properties. Additionally, in the sales comparison approach, this Board questions the excess land adjustment the appraiser made to comparable #3, as well as the adjustments made for building size and market conditions. Therefore, the Board accords diminished weight to this appraisal and finds that the estimate of value for the subject property is unreliable.

However, the Board will analyze the unadjusted sales of both the appellant and the board of review. The parties submitted 11 sales comparables suggested as comparable to the subject. The Board finds that comparable #2 submitted by the appellant, as well as comparables #3 and #5, submitted by the board of review, to be the most similar to the subject in location, use and building size. These comparables are commercial retail or office buildings located in either Skokie or Niles, with the subject being located in Skokie. They range in building size from 2,800 to 5,000 square feet. Additionally, these properties sold from January 2008 to June 2010 for prices ranging from \$280,000 to \$735,000, or \$56.00 to \$187.60 per square foot of living area, including land. In comparison, the subject's assessed value reflects a market value of \$167.82 per square foot of building area which is within the range of these comparables. However, after considering adjustments based on the similarities and differences in the comparables when compared to the subject, the Board finds the subject's per square foot assessment is not supported and a reduction in the subject's assessment 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: October 18, 2013

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.