



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

APPELLANT: Ponds of Palos Townhouse Association
DOCKET NO.: 12-21271.001-R-2 through 12-21271.018-R-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Ponds of Palos Townhouse Association, the appellant, by attorney John P. Fitzgerald, of Fitzgerald Law Group, P.C. in Chicago; the Cook County Board of Review; the Palos Heights Public Library intervenor, by attorney Mallory A. Milluzzi of Klein Thorpe & Jenkins Ltd. in Chicago.

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
12-21271.001-R-2	23-35-415-010-0000	2,566	22,430	\$24,996
12-21271.002-R-2	23-35-415-011-0000	2,566	22,430	\$24,996
12-21271.003-R-2	23-35-415-012-0000	2,552	22,435	\$24,987
12-21271.004-R-2	23-35-415-013-0000	2,552	22,435	\$24,987
12-21271.005-R-2	23-35-415-014-0000	2,564	22,431	\$24,995
12-21271.006-R-2	23-35-415-015-0000	2,566	22,430	\$24,996
12-21271.007-R-2	23-35-415-016-0000	2,575	22,428	\$25,003
12-21271.008-R-2	23-35-415-017-0000	2,587	22,424	\$25,011
12-21271.009-R-2	23-35-415-018-0000	2,593	22,423	\$25,016
12-21271.010-R-2	23-35-415-019-0000	2,582	22,425	\$25,007
12-21271.011-R-2	23-35-415-020-0000	2,677	22,397	\$25,074
12-21271.012-R-2	23-35-415-021-0000	2,582	22,425	\$25,007
12-21271.013-R-2	23-35-415-022-0000	2,351	22,496	\$24,847
12-21271.014-R-2	23-35-415-023-0000	2,566	22,430	\$24,996
12-21271.015-R-2	23-35-415-024-0000	2,566	22,430	\$24,996
12-21271.016-R-2	23-35-415-025-0000	2,598	22,421	\$25,019
12-21271.017-R-2	23-35-415-026-0000	2,610	22,417	\$25,027
12-21271.018-R-2	23-35-415-027-0000	2,626	22,412	\$25,038

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2012 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of nine separate buildings, each of which contains two townhomes, for a total of 18 townhomes. Each building is a six year-old, one and part two-story building of masonry construction. Each of the 18 townhomes, designated by its own Property Index Number (PIN), contains 2,750 square feet of living area. Features of each townhome include a full unfinished basement, central air conditioning, a fireplace and a two-car garage. Each PIN is located on a lot size ranging from 4,275 to 4,869 square feet, for a total of an 84,157 square foot site located in the City of Palos Heights, Palos Township, Cook County. The subject property is a Class 2-95 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 in which the appraiser, Sterling Valuation, utilized the sales comparison and income approaches. The appraiser based the sales comparison approach on five sales that occurred from July 2009 through March 2011, were from eight to sixteen years-old, and sold from \$70,000 to \$86,667 per bedroom. Of the five sales comparables used, only one disclosed the square-foot size of the living area. The appraiser opined that the subject's market value by the sales comparison approach was \$4,500,000. The appraiser based the income approach on five rental comparable properties. The appraisal disclosed the gross potential income of the 18 units in the subject at \$496,800, or \$2,300 per month per unit. The appraiser opined that these rental properties were similar to the subject and, like the subject, were located in Palos Heights. Direct comparison and band of investment methods were used to arrive at a 9.50% capitalization rate. The appraiser opined that the subject's market value by the income approach was \$4,500,000. The appraisal estimated the subject property had a reconciled market value of \$4,500,000 as of January 1, 2011.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$646,255. The subject's assessment reflects a market value of \$6,462,550 when applying the 2012 level of assessment of 10.00% for Class 2 property under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment, the board of review submitted information on four unadjusted suggested sales comparables only for the townhome designated PIN 010. The board of review also submitted sales data for ten of the townhomes, including PIN 010, for sales that occurred from June 2006 through June 2007.

In support of its contention of the correct assessment, intervenor Palos Heights Public Library (hereinafter, "the Library") submitted an appraisal in which the appraiser, Associated Property Counselors, Ltd. (hereinafter, "Associated"), utilized only the sales comparison approach. The appraiser based the sales comparison approach on five sales that occurred from June 2009 through May 2010. There was no information as to the ages of these comparables. They sold from \$365,000 to \$467,250 or from \$145.79 to \$196.05 per square foot of living area including land. The appraiser opined that these comparables were similar to the subject and, like the subject, were located in Palos Heights. The appraiser also evaluated the sales comparables submitted by Sterling Valuation on behalf of the appellant. The appraiser opined that those comparables were dissimilar to the subject in various key property characteristics, such as location, age, quality and size. The appraisal estimated the subject property had a market value of \$8,415,000 as of January 1, 2011.

In rebuttal, the appellant submitted a report prepared by Sargeant Realty Advisors, Inc. (hereinafter "Sargeant") to review the appraisal submitted by Associated on behalf of the Library. Sargeant opined that the appraisal submitted by Associated was inadequate in various respects, such as: not submitting tax information for the subject, zoning and uses, descriptions of the site and improvements, property amenities, area characteristics, and that it was not personally inspected. Sargeant also opined that Associated failed to consider area trends, and to adjust sales comparables to account for superior locations and economic trends.

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 best evidence of market value to be the appraisal submitted by the appellant. The appraiser's opinion of market value of \$4,500,000 by the income approach confirmed the appraiser's opinion of market value of \$4,500,000 by the sales

comparison approach. Consequently, the Board finds the subject property had a market value of \$4,500,000 as of the assessment date at issue. Since market value has been established, the 2012 level of assessment of 10.00% for Class 2 property under the Cook County Real Property Assessment Classification Ordinance shall apply.

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.

Mario Albino

Chairman

K. L. Ferr

Member

JR

Member

Jerry White

Acting Member

Robert Hoffmann

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: April 22, 2016

A. Hertel

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.