



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

APPELLANT: James Korus
DOCKET NO.: 12-21557.001-C-1
PARCEL NO.: 14-28-307-003-0000

The parties of record before the Property Tax Appeal Board are James Korus, the appellant(s), by attorney Herbert B. Rosenberg, of Schoenberg Finkel Newman & Rosenberg LLC in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented in this matter, 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: \$214,956
IMPR.: \$ 3,794
TOTAL: \$218,750

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 a one-story commercial restaurant building, operating as a McDonald's, containing approximately 3,969 square feet of building area per the appraisal. It was built in 1996 and is situated on a 25,000 square foot site. It is located in Chicago, Lakeview Township, Cook County, and is classified as Class 5-17 property under the Cook County Real Property Classification Ordinance and assessed at 25% of fair market value.

The appellant contends overvaluation as the basis of the appeal. In support of the market value argument, the appellant submitted a summary appraisal authored by Atrhur Murphy, Timothy O'Keefe and Ryan Chambers, all of Urban Real Estate Research, Inc. Mr. Murphy is an Illinois Certified General Real Estate Appraiser and holds an MAI designation, Mr. O'Keefe is a Certified General Real Estate Appraiser, while Mr. Chambers is an Associate Real Estate Trainee Appraiser. Chambers personally inspected the interior and exterior of the subject

property and indicated the subject has an estimated market value of \$875,000 as of January 1, 2012. The appraisal report utilized all three of the traditional approaches to value, that is the cost, income and sales comparison approaches, to estimate the market value for the subject property and finds the subject's highest and best use is its present use.

At hearing, the appellant's first witness, David Lennhoff, credibly testified as to the methodology in determining the fair market value of a fast-food restaurant. Mr. Lennhoff holds six designations from the Appraisal Institute, including the MAI designation. Mr. Lennhoff testified that the business value must be separated from the real estate in order to determine the market value of a special use property. He further testified that the best evidence, in terms of sales comparison, would be sales of second-generation sales.

On cross-examination, the board of review representative asked several general methodology questions.

As additional support, Murphy credibly testified as to the methodology used in their written appraisal submission. In reconciling the three approaches to value, the appraisers gave the most weight to the sales comparison approach to value and arrived at a final estimate of value for the subject as of January 1, 2012 of \$875,000.

On cross-examination, the board of review representative questioned the adjustments to the comparables.

The board of review submitted its "Board of Review-Notes on Appeal" disclosing the total assessment for the subject of \$275,669. The subject's assessment reflects a market value of \$1,102,676, or \$277.82 per square foot, including land, based on the board of review's reported improvement size of 3,735 square feet, and when applying the assessment level of 25% as established by the Cook County Real Property Classification Ordinance. In support of the subject's assessment, the board of review submitted raw sales data for five retail/fast food properties. 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 memorandum further states that the information provided was collected from various sources, and was assumed to be factual, accurate, and reliable; but that the information had not been verified, and that the board of review did not warrant its accuracy. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In written rebuttal, and subsequently at hearing, the appellant indicated that the board of review's sale comparables were unadjusted, therefore, the appellant's appraisal evidence should be considered the best evidence of the subject's market value.

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 subject's assessment reflects a market value above the best evidence of market value in the record. The Board finds the subject property had a market value of \$875,000 as of the assessment date at issue. Since the market value of this parcel has been established, the assessment level of 25% as established by the Cook County Real Property Assessment Classification Ordinance in effect for tax year 2012 shall apply. 86 Ill. Admin. Code § 1910.50(c)(3).

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



Acting Member



Acting Member

DISSENTING: _____

CERTIFICATION

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: _____

May 19, 2017



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.