



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

hhAPPELLANT: RBS Citizens, N.A.
DOCKET NO.: 13-32479.001-C-1 through 13-32479.002-C-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are RBS Citizens, N.A., the appellant(s), by attorney Peter D. Verros, of Verros, Lafakis & Berkshire, P.C. 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
13-32479.001-C-1	07-30-400-009-0000	125,092	82,367	\$207,459
13-32479.002-C-1	07-31-100-006-8002	0	41	\$41

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 2013 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 two parcels of land totaling approximately 103,414 square feet and improved with an approximately 36-year old, one-story, commercial, bank building containing 5,370 square feet of building area. The property is located in Schaumburg Township, Cook County and is a class 5 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on overvaluation. In support of the market value argument, the appellant submitted an appraisal undertaken by Frank Urban of Frank C. Urban & Co. Urban was the appellant's only witness. The parties stipulated to Urban's qualifications as an expert witness and he was admitted as an expert witness in property valuation.

The appraisal, marked as *Appellant's Exhibit #1*, indicated the subject has an estimated market value of \$830,000 as of January 1, 2013. The appraisal report utilized the three traditional approaches to value to estimate the market value for the subject property. Urban described the subject property and testified he inspected the subject, but was not given access to the vault area.

As to the site, Urban testified that the subject's site is 103,414 square feet which reflects a land to building ratio of 19.3:1. He opined that a ratio of 10:1 is sufficient for this property and anything over that is surplus land. He defined surplus land as land square footage above that necessary for use, but which can't be subdivided and testified the subject has 49,714 square feet of surplus land.

As to the cost approach to value, Urban testified that he analyzed four land sales and one listing to arrive at a value for the subject's land at \$5.00 per square foot or \$520,000, rounded. He testified this value included the excess land which he valued at \$150,000. Urban estimated the replacement cost new at \$1,311,783. This value was depreciated to arrive at a total depreciated cost \$259,733. He testified he added the site improvements and land value to arrive at a total estimate of value under cost approach of \$880,000, rounded. He testified he gave this approach minimal consideration.

Under the income approach, Urban testified he analyzed nine rental comparables to estimate a gross rent of \$15.00 per square foot of building area. This resulted in a potential gross income of (PGI) \$80,550. Vacancy and collection loss was estimated at 10% of PGI for an effective gross income (EGI) of \$72,495. Urban testified he estimated expenses at \$7,035 for an estimated net operating income (NOI) of \$65,460.

In determining the appropriate capitalization (CAP) rate, Urban testified he utilized market surveys, market extraction method, and the band of investment method to estimate a CAP rate of 9%. He testified he applied this CAP rate to the NOI to estimate the market value without the surplus land at \$727,333. He testified he added the surplus land of \$150,000 to arrive at a final value under the income approach of \$880,000, rounded. He testified he gave this approach ample weight.

Under the sales comparison approach, Urban testified he researched the market for recent sales of comparable properties. He testified that all the comparables are for bank use and sold for a fee simple interest. He further testified that he did find other properties, but that these were leased fee sales and, without information on the income for these properties, he could not make accurate adjustments for a fee simple value. He opined that leased fee usually is not indicative of a fee simple value.

Urban testified that he relied on eight sales in estimating the subject's value. He testified to the following details of the eight sales: build from 1960 to 2005; ranged in size from 3,052 to 18,856 square feet of building area; ranged in land to building ration from 1.8:1 to 19.1:1; sold between April 2010 and September 2012; and sold for prices ranging from \$33.18 to \$182.26 per square foot of building area. He testified to the adjustments made to each of these properties for size, age, land to building ration, basement, drive-thru, and location.

Urban testified that after adjustments he estimated a value at \$125.00 per square foot of building area for a value without the excess land of \$671,250. He testified he then added the value of the surplus land to arrive at a total estimated value under the sales comparison approach of \$820,000, rounded. He testified he gave this approach primary weight.

After reconciling the three approaches to value, Urban testified he arrived at a final estimate of value for the subject as of January 1, 2013 of \$830,000.

Under cross-examination by the board of review, Urban acknowledged that there was a significant size difference between the subject and comparable #1. He also acknowledged that four of the comparables are between 20 and 33 miles away from the subject, that two comparables have no drive-thru, and that comparables #7 and #8 are located outside of Cook County. He testified that he did not find any other sale comparables located in close proximity to the subject in which the property sold in fee simple interest.

In response to questions by the Board, there was brief testimony from Urban as to the subject's site size and the value of the surplus land.

On redirect, Urban testified that he made adjustments for the differences between the subject and the comparables and factored these adjustments into the final conclusion of value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment was \$295,350; yielding a market value of \$1,275,000 or \$237.43 per square foot of building area, including land, using the Cook County Real Property Classification Ordinance for Class 5 property of 25%.

In support of the assessment the board of review submitted a total of five sales comparables. The board of review's memoranda disclosed that the data is not intended to be an appraisal or estimate of value and should not be construed as such. In addition, it discloses that the information is assumed factual, accurate, and reliable, but has not been verified and does not warrant its accuracy. The board of review rested on the evidence submitted.

On cross-examination, the board of review's representative, John Giokaris acknowledged that he did not prepare the board of review's evidence, but that no adjustments were made to the comparables. He also acknowledged that the evidence has not been verified and does not warrant its accuracy.

Conclusion of Law

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 Board 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 Board examined the appellant's appraisal report and testimony and the board of review's evidence.

The Board finds the preparer of the board of review's evidence was not present or called to testify about his/her qualifications, identify his/her work, testify about the contents of the evidence, or be cross-examined by the appellant and the Property Tax Appeal Board. Moreover, the board of review's witness was unable to testify as to the conditions of these sales or provide further information on these comparables. Therefore, the Property Tax Appeal Board gives this evidence from the board of review no weight.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal and testimony. The appellant's appraiser utilized the three traditional approaches to value in determining the subject's market value. The Board 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.

Therefore, the Board finds the subject had a market value of \$830,000 for the 2013 assessment year. Since the market value of this parcel has been established, the Cook County Real Property Classification Ordinance for Class 5 property of 25% 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. Pursuant to Section 1910.50(b) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(b)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Acting Member



Member



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: December 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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

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