



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

APPELLANT: 10548 Western & RMG Holdings, LLC-Series
DOCKET NO.: 14-24147.001-C-1
PARCEL NO.: 24-13-224-032-0000

The parties of record before the Property Tax Appeal Board are 10548 Western & RMG Holdings, LLC-Series, the appellant(s), by attorney David R. Bass, of Field and Goldberg, 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: \$ 3,000
IMPR.: \$ 53,138
TOTAL: \$ 56,138

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 2014 tax year. The Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject consists of a mixed-use building of masonry construction. The building is five years old. Features of the building include a slab, central air conditioning, and a two and one-half-car garage. The property has a 3,750 square foot site, and is located in Chicago, Lake Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance. No evidence was submitted as to whether the subject is owner occupied.

The appellant contends assessment inequity as the basis of the appeal. In support of this argument, the appellant submitted information on four equity comparables.

The appellant also contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an income and expense analysis for the subject, including an attorney-derived capitalization rate, which concluded that the subject's market value was \$530,972.

The appellant also argues that the Cook County Assessor's records are incorrect in regards to the subject's stories and improvement size. The appellant's evidence states that the subject has three stories and that the subject's improvement size is 8,250 square feet of building area. In support of this argument, the appellant submitted the subject's building record from the Assessor's office. The first page of the building record states that the subject's improvement size is 11,352 square feet of building area, which the appellant contends is incorrect. The second page of the building record states that the subject has four stories, which the appellant also contends is incorrect. This page also includes a drawing of the subject's exterior walls, inclusive of measurements. Finally, the appellant submitted several color photographs of the subject, which all show that the subject has three above-grade stories.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$67,182. The subject property has an improvement assessment of \$64,182. The subject's assessment reflects a market value of \$671,820 when applying the 2014 statutory level of assessment for class 2 property of 10.00% 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 three equity comparables. The board of review's evidence states that the subject's improvement size is 11,352 square feet of building area. No evidence was submitted in support of this improvement size.

In rebuttal, the appellant argued that the board of review's comparables support the appellant's argument that the subject is inequitably assessed.

Conclusion of Law

Initially, the Board finds that the subject has three above-grade stories, and that the subject's improvement size is 8,502 square feet of building area. "Standard of proof. Unless otherwise provided by law or stated in the agency's rules, the standard of proof in any contested case hearing conducted under this Act by an agency shall be the preponderance of the evidence." 5 ILCS 100/10 15. The appellant submitted the building record for the subject, which included a drawing of the subject's exterior walls, inclusive of measurements. According to this drawing, the subject is a 30 foot by 100 foot rectangle, with a 30 foot by 5 foot setback on the side of the subject. Thus, the square footage of one story of the subject is 2,850 square feet of building area $((30\text{ft} \times 100\text{ft}) - (30\text{ft} \times 5\text{ft}) = 2,850 \text{ft}^2)$. The color photographs of the subject submitted by the appellant show unequivocally that the subject has three above-grade stories. The building record also shows that the subject's first floor has a 48 square foot open space. The subject's first floor improvement size is, therefore, 2,802 square feet of building area, and the second and third floors are each 2,850 square feet of building area. Based on the building record and the color photographs, the subject's total improvement size is 8,502 square feet of building area $(2,802\text{ft}^2 + 2,850\text{ft}^2 + 2,850\text{ft}^2 = 8,502\text{ft}^2)$. The board of review presented no evidence to support

its position that the subject's improvement size is 11,352 square feet of building area. Therefore, the Board finds that the appellant has proven, by a preponderance of the evidence, that the subject's improvement size is 8,502 square feet of building area, which results in an improvement assessment of \$7.55 per square foot of building area.

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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant submitted documentation showing the income and expenses of the subject property. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Prop. Tax Appeal Bd., 44 Ill.2d 428 (1970), the Illinois Supreme Court stated:

[I]t is clearly the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value". Many factors may prevent a property owner from realizing an income from property that accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes.

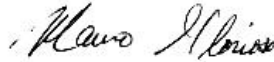
Id. at 431.

As the Court stated, actual income and expenses can be useful when shown that they are reflective of the market. Although the appellant made this argument, the appellant did not demonstrate, through an expert in real estate valuation, that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income and expenses one must establish, through the use of market data, the market rent, vacancy and collection losses, and expenses to arrive at a net operating income reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence and, therefore, the Board gives this argument no weight. Thus, the Board finds that a reduction is not warranted based on the appellant's income and expense analysis.

The taxpayer contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did meet this burden of proof and a reduction in the subject's assessment is warranted.

The Board notes the appellant comparable #4 and board of review comparable #1 represent the same property. The Board finds the best evidence of assessment equity to be appellant comparables #1, #2, #3, and #4, and board of review comparable #1. These comparables had improvement assessments that ranged from \$4.41 to \$6.42 per square foot of building area. The subject's assessment of \$7.55 per square foot of building area falls above the range established by the best comparables in this record. Based on this record, the Board finds the appellant did demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed, and a reduction in the subject's assessment is justified.

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: September 22, 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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