



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

APPELLANT: CHIC Properties, LLC
DOCKET NO.: 14-25892.001-R-1 through 14-25892.014-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are CHIC Properties, LLC, the appellant(s), by attorney Ellen G. Berkshire, 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
14-25892.001-R-1	20-24-323-038-1001	536	5,164	\$ 5,700
14-25892.002-R-1	20-24-323-038-1002	536	5,164	\$ 5,700
14-25892.003-R-1	20-24-323-038-1004	673	6,488	\$ 7,161
14-25892.004-R-1	20-24-323-038-1005	701	6,752	\$ 7,453
14-25892.005-R-1	20-24-323-038-1006	701	6,752	\$ 7,453
14-25892.006-R-1	20-24-323-038-1007	728	7,018	\$ 7,746
14-25892.007-R-1	20-24-323-038-1008	728	7,018	\$ 7,746
14-25892.008-R-1	20-24-323-038-1009	27	265	\$ 292
14-25892.009-R-1	20-24-323-038-1010	27	265	\$ 292
14-25892.010-R-1	20-24-323-038-1011	27	265	\$ 292
14-25892.011-R-1	20-24-323-038-1012	27	265	\$ 292
14-25892.012-R-1	20-24-323-038-1013	27	265	\$ 292
14-25892.013-R-1	20-24-323-038-1015	27	265	\$ 292
14-25892.014-R-1	20-24-323-038-1016	27	265	\$ 292

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 seven condominium units and their associated parking spaces with a combined 87.25% ownership interest in the common elements. The property is located in Chicago, Hyde Park Township, Cook County. The subject is classified as a class 2-99 property under the Cook County Real Property Assessment Classification Ordinance. The subject is owned by a business entity, and, therefore, it is not owner occupied.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted three comparable sales. These comparables sold from October 2013 to June 2014 for prices ranging from \$102,465 to \$130,000. The appellant also submitted evidence disclosing that the subject was purchased on May 9, 2014 for a price of \$510,000. The appellant also submitted evidence of the subject's vacancy for tax year 2014. Based on this evidence, the appellant requested a reduction in the subject's assessment to 10.00% of the purchase prices.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$115,399. The subject's assessment reflects a market value of \$1,153,990 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 the subject's assessment, the board of review submitted a memorandum, which confirmed the sale of the subject in May 2014 for \$510,000.

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 did meet this burden of proof and a reduction in the subject's assessment is warranted.

The appellant submitted documentation showing the vacancy 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 vacancy, 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 vacancy, income, and expenses are reflective of the market. To demonstrate or estimate the subject's market value using vacancy, 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 vacancy analysis.

The Board finds the best evidence of market value to be the purchase of the subject property in May 2014 for a price of \$510,000. The appellant provided evidence demonstrating the sale had the elements of an arm's length transaction, including disclosing that the parties to the transaction were not related, that the property was sold using an investment management company, and that it was advertised for sale on the open market. In further support of the transaction, the appellant submitted the settlement statement. The Board finds the purchase price is below the market value reflected by the assessment. The Board finds the board of review did not present any evidence to challenge the arm's length nature of the transaction. Based on this record the Board finds the subject property had a market value of \$510,000 as of January 1, 2014. Since market value has been determined the 2014 statutory level of assessment for class 2 property under the Cook County Real Property Assessment Classification ordinance of 10.00% shall apply. 86 Ill.Admin.Code §1910.50(c)(2).

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



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: August 18, 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.