



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

APPELLANT: Floody LLC
DOCKET NO.: 14-31461.001-R-1
PARCEL NO.: 30-19-216-018-0000

The parties of record before the Property Tax Appeal Board are Floody LLC, 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:

LAND: \$ 1,933
IMPR.: \$ 2,167
TOTAL: \$ 4,100

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 multi-level dwelling of masonry construction with 1,000 square feet of living area. The dwelling is 53 years old. Features of the home include a partial basement with a formal recreation room and a one and one-half-car garage. The property has a 5,950 square foot site, and is located in Calumet City, Thornton Township, Cook County. The subject is classified as a class 2-34 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 information on three comparable sales. These sales took place between December 2012 and August 2013 for \$35,000 to \$75,000, or \$30.60 to \$61.73 per square foot of living area, including land. The appellant also submitted evidence disclosing the subject

property was purchased on April 19, 2013 for a price of \$41,000, or \$41.00 per square foot of living area. The Real Property Transfer Tax Declaration submitted by the appellant states that the seller was the Gecko Realty, Inc., and that the sale was a bank R.E.O. sale. Based on this evidence, the appellant requested a reduction in the subject's assessment to \$3,500.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$8,100. The subject's assessment reflects a market value of \$81,000, or \$81.00 per square foot of living area, including land, 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 four equity comparables and three sale comparables. These comparables sold between January 2011 and December 2013 for \$110,000 to \$176,900, or \$81.48 to \$154.50 per square foot of living area, including land.

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 Board finds that the sale of the subject in April 2013 for \$41,000 was a "compulsory sale." A "compulsory sale" is defined as:

- (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete.

35 ILCS 200/1-23. The Board finds that the sale of the subject is a compulsory sale, in the form of a foreclosure, based on the Real Property Transfer Tax Declaration submitted by the appellant, which states that the sale was a bank R.E.O. sale. See Black's Law Dictionary, "REO" (10th ed. 2014) (stating that REO is an abbreviation for "real estate owned"); Black's Law Dictionary, "real estate owned" (10th ed. 2014) ("Property acquired by a lender, usu. through foreclosure, in satisfaction of a debt. - Abbr. REO."); U.S. v. Best, 939 F.2d 425, 426 (7th Cir. 1991) ([a corporation and its subsidiaries] had accumulated large holdings in real estate, primarily through foreclosure, known as 'real estate owned' or 'REO.'").

Real property in Illinois must be assessed at its fair cash value, which can only be estimated absent any compulsion on either party.

Illinois law requires that all real property be valued at its fair cash value, estimated at the price it would bring at a fair voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is likewise ready, willing, and able to buy, but is not forced to do so.

Bd. of Educ. of Meridian Cmty. Unit Sch. Dist. No. 223 v. Ill. Prop. Tax Appeal Bd., 2012 IL App (2d) 100068, ¶ 36 (citing Chrysler Corp. v. Ill. Prop. Tax Appeal Bd., 69 Ill.App.3d 207, 211 (2d Dist. 1979)).

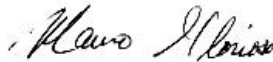
However, the Illinois General Assembly has provided guidance for the Board with regards to compulsory sales. Section 16-183 of the Illinois Property Tax Code states as follows:

The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer.

35 ILCS 200/16-183. Therefore, the Board is statutorily required to consider the compulsory sales of comparable properties submitted by the parties to revise and/or correct the subject's assessment. Id. In considering the compulsory sale of the subject, the Board may look to the market value evidence submitted by the parties to determine whether the purchase price was at the subject's fair market value. 86 Ill.Admin.Code §1910.65(c). Such evidence may consist of the sales of comparables properties. 86 Ill.Admin.Code §1910.65(c)(4); see, Calumet Transfer, LLC v. Ill. Prop. Tax Appeal Bd., 401 Ill.App.3d 652, 655-56 (1st Dist. 2010) (“[The Board] allowed the [intervenor] to challenge the arm's-length nature of the transaction by offering evidence of comparable property sales. This was permissible under paragraph (4) of section 1910.65(c).”).

In the instant appeal, the appellant submitted information on three comparable sales, and the board of review submitted information on three comparable sales. The Board finds appellant comparables #1, #2, and #3, board of review comparables #3 and #4 to be most similar to the subject. These comparables sold for prices ranging from \$30.60 to \$154.50 per square foot of living area, including land. The subject's sale price reflects a market value of \$41.00 per square foot of living area, including land, which is within the range established by the best comparables in this record. Therefore, the Board finds that the sale of the subject in April 2013 for \$41,000 was at the subject's fair market value, and that this sale represents the best evidence of market value for the subject. In further support of the transaction, the appellant submitted the special warranty deed affixed with State of Illinois Real Estate Transfer Tax stamps, the Real Property Transfer Tax Declaration, and the settlement statement. The Board finds the purchase price is below the market value reflected by the assessment. Based on this record the Board finds the subject property had a market value of \$41,000 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. 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: January 16, 2018



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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