



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

APPELLANT: Franklin Holdings LLC-Thirtieth Series
DOCKET NO.: 15-32553.001-R-1
PARCEL NO.: 16-13-310-037-0000

The parties of record before the Property Tax Appeal Board are Franklin Holdings LLC-Thirtieth Series, the appellant, by attorney Timothy E. Moran, of Schmidt Salzman & Moran, Ltd. 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 **No Change** 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: \$3,200
IMPR.: \$19,546
TOTAL: \$22,746

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 2015 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 two-story multi-family dwelling of masonry exterior construction with 3,578 square feet of living area. The building is approximately 112 years old. Features include a concrete slab foundation. The property has a 3,048-square foot site and is located in Chicago, West Chicago Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

In support of the overvaluation argument, the appellant disclosed the subject was purchased on August 24, 2015 for a price of \$60,000. To document the sale, the appellant submitted a copy of the Settlement Statement which revealed that no Broker's Fees were paid at settlement.

The appellant's attorney submitted a brief that also suggests the subject's improvement assessment is incorrect due to vacancy. The appellant claims the "entire property has been

completely vacant and unoccupied producing no income throughout all of 2015.” The appellant argued that a 10% occupancy factor should be applied to the subject’s improvement assessment. In support of this claim, the appellant submitted a copy of the 2015 Income and Operating Statement, the subject’s Rent Roll as well as photographs of the subject property.

The appellant failed to provide any equity data in order to address the equity argument.

Based upon this evidence, the appellant requested the total assessment be reduced to \$3,480.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$22,746. The subject's assessment reflects a market value of \$227,460 or \$63.57 per square foot of living area, land included, when using the level of assessments for class 2 property of 10% under the Cook County Real Property Assessment Classification Ordinance. The subject property has an improvement assessment of \$19,546 or \$5.46 per square foot of living area.

In support of its contention of the correct assessment the board of review submitted information on four equity comparables located within the same neighborhood code as the subject property. The comparables consist of two-story multi-family dwellings that range in age from 117 to 132 years old. The comparables had varying degrees of similarity when compared to the subject. The buildings range in size from 2,831 to 3,108 square feet of living area and are situated on sites ranging in size from 2,400 to 3,150 square feet of land area. The comparables have improvement assessments ranging from \$18,671 to \$19,527 or from \$6.13 to \$6.67 per square foot of living area. Comparable #2 sold in April of 2015 for a price of \$215,000 or \$69.18 per square foot of living area including land.

The board of review provided a brief to its notes on appeal arguing the sale of the subject property should be given no weight because the appellant failed to provide evidence of the arm’s length transaction. The board of review also provided a printout from the Cook County Recorder of Deeds regarding the sales history of the property.

Based on this evidence, the board of review requested confirmation of the subject’s assessment.

Conclusion of Law

The appellant contends in part 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 on this basis.

The Board finds the best evidence of market value to be the board of review’s comparable #2. This property sold proximate in time to the January 1, 2015 assessment date at issue and is similar to the subject in location, age, size, dwelling design, exterior construction and features. The comparable sold for a price of \$215,000 or \$69.18 per square foot of living area, including

land. The subject's total assessment reflects a market value of \$227,460 or \$63.57 per square foot of living area, including land which falls below the best comparable established in this record. The Board gave little weight to the subject's August 2015 sale date. The Board finds that the appellant failed to disclose if the property was advertised for sale, the manner on how it was advertised and the length of time on the market, which are important elements when demonstrating the sale had the elements of an arm's length transaction. The board of review stated that the subject sale did not have the elements of an arm's length transaction and the appellant did not refute this claim. Based on this record the Board finds the subject's assessment is reflective of market value and a reduction in the subject's assessment is not justified on this basis.

The taxpayer also 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 not meet this burden of proof and a reduction in the subject's assessment is not warranted on this basis.

The board of review submitted the only equity comparables for the Board consideration. The Board finds the board of review's comparables are similar when compared to the subject in location, age, size, dwelling design, exterior construction and features. These comparables had improvement assessments ranging from \$6.13 to \$6.67 per square foot of living area. The subject's improvement assessment of \$5.46 per square foot of living area falls below the range established by the comparables in this record. Based on this record, the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is not justified on this basis.

The appellant also submitted documentation showing the property produced no income. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

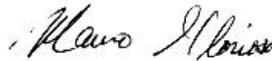
[I]t is the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value 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.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant's brief and evidence only utilized the subject's actual income and expenses and vacancy. 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 analysis.

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(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) 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



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: June 19, 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

AGENCY

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

Franklin Holdings LLC-Thirtieth Series, by attorney:
Timothy E. Moran
Schmidt Salzman & Moran, Ltd.
111 West Washington Street
Suite 1300
Chicago, IL 60602

COUNTY

Cook County Board of Review
County Building, Room 601
118 North Clark Street
Chicago, IL 60602