



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

APPELLANT: John Purdom  
DOCKET NO.: 15-37980.001-C-1 through 15-37980.002-C-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are John Purdom, the appellant, by attorney Joel R. Monarch 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
15-37980.001-C-1	16-26-300-003-0000	3,281	15,812	\$19,093
15-37980.002-C-1	16-26-300-004-0000	6,445	10,712	\$17,157

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 two interconnected part one-story and part two-story commercial buildings with a gross building area of 3,787 square feet. The buildings were constructed in 1906. The subject improvement has an exterior construction of brick over masonry walls. The property has a partial unfinished basement and a gas forced air furnace. The front of the building has a showroom area with rear storage and one washroom. The second floor is utilized for storage with three rooms and one bathroom. The building is used for retail purposes. There is also a rear detached storage garage. The property has a 6,250 square foot site and is located Chicago, West Chicago Township, Cook County. The property is a class 5A commercial property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$145,000

as of January 1, 2015. The appraisal was prepared by Mark Ruchti, a certified general real estate appraiser. The purpose of the appraisal was to estimate the market value of the subject's fee simple interest. The property rights appraised were in fee simple title ownership, assuming no liens or encumbrances, other than normal covenants and restrictions of record such as zoning and real estate taxes. The appraiser determined the highest and best use of the subject property as vacant was for speculative holding until such time as the market improves and development is feasible. The highest and best use of the subject property as improved was the existing structure. The appraiser also reported that the subject property had a previous sale in November 2013 for a price of \$120,000.

In estimating the market value of the subject property the appraiser developed the income approach to value and the sales comparison approach to value. Using the income approach to value the appraiser estimated the subject's market rent to be \$9.00 per square foot resulting in a potential gross income of \$34,083. The appraiser deducted 10% of potential gross income for vacancy and collection loss to arrive at an effective gross income of \$30,674. Expenses were estimated to be \$8,000 or 23.47% of effective gross income and when deducted resulted in an estimated net operating income of \$22,674. The appraiser estimated the subject property would have a capitalization rate of 10% and an effective tax rate of 4.64% resulted in a loaded capitalization rate of 14.64%. Capitalizing the net operating income resulted in an estimated value under the income approach of \$155,000, rounded.

Under the sales comparison approach to value the appraiser used four sales and one listing that were improved with four one-story buildings and a part one-story and part two-story building that ranged in size from 2,000 to 5,284 square feet of building area. Four of the comparables were used for retail purposes and one comparable was a medical office building. The buildings were constructed from 1921 to 1953. The four sales occurred from July 2014 to May 2015 for prices ranging from \$56,000 to \$175,000 or from \$27.06 to \$50.00 per square foot of building area, including land. The listing has a price of \$125,000 or \$25.00 per square foot of building area. Using these sales, the appraiser arrived at an estimated market value of \$36.00 per square foot of building area or \$135,000, rounded, under the sales comparison approach to value.

In reconciling the two approaches to value the appraiser gave equal reliance on the two approaches to value and arrived at an estimated market value of \$145,000 as of January 1, 2015.

Based on this evidence the appellant requested the subject's assessment be reduced to \$36,250 to reflect the appraised value.

The appellant submitted a copy of the final decision issued by the board of review disclosing a total assessment of \$58,767, which reflects a market value of \$235,068 when applying the Cook County Real Property Assessment Classification Ordinance level of assessment for class 5A commercial property of 25%.

The board of review did not submit its "Board of Review Notes on Appeal" nor any evidence in support of its assessed valuation of the subject property.

### **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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the only evidence of market value in the record to be the appraisal submitted by the appellant estimating the subject property had a market value of \$145,000 as of January 1, 2015. The subject's assessment reflects a market value of \$235,068, which is above the only evidence of market value in the record. The board of review did not submit any evidence in support of its assessment of the subject property as required by section 1910.40(a) of the rules of the Property Tax Appeal Board and is found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board. 86 Ill.Admin.Code §1910.40(a) & 1910.69(a). The Board has examined the information submitted by the appellant and finds that it supports a reduction in the assessed valuation of the subject property commensurate with the appellant's request.

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

AGENCY

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