



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

APPELLANT: The King Realty Company
DOCKET NO.: 17-31951.001-C-2
PARCEL NO.: 24-15-410-023-0000

The parties of record before the Property Tax Appeal Board are The King Realty Company, the appellant(s), by attorney John P. Fitzgerald, of Fitzgerald Law Group, P.C. in Burr Ridge; the Cook County Board of Review; and C.H.S.D. #218, the intervenor, by attorney Elizabeth Shine Hermes of Odelson, Sterk, Murphy, Frazier and McGrath, Ltd. in Evergreen Park.

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: \$283,276
IMPR.: \$222,518
TOTAL: \$505,794

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 2017 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 an 189,683 square foot parcel of land improved with a 56-year old, one and part two-story, masonry, commercial strip mall building containing 46,823 square feet building area. The property is located in Oak Lawn, Worth Township, Cook County and is classified as a class 5 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 estimated the subject's market value as of January 1, 2017 of \$1,860,000. The appraiser utilized the income and sales comparison approaches in arriving at the estimate of value.

In the sales comparison approach, the appraiser analyzed five one-story, masonry, retail, strip mall buildings. These properties range in age from 15 to 55 years, in size from 7,600 to 23,335 square feet of building area; and in land to building ratio from .78:1 to 4.75:1. These properties sold from February 2014 to January 2017 for prices ranging from \$28.20 to \$68.57 per square foot of building area. After making adjustments for pertinent factors, the appraiser arrived at an estimate of value of \$40.00 per square foot of building area or \$1,870,000, rounded.

In determining the value under the income approach, the appraiser analyzed the five commercial strip centers. These properties ranged in rental size from 750 to 5,400 square feet of building area and have rental rates from \$8.83 to \$18.00 per square foot of rental area on a gross or net basis. The appraiser also reviewed the subject's historical rent. The appraiser estimated a rental rate for the subject at \$15.00 per square foot of building area which resulted in a potential gross income of (PGI) \$599,155. Vacancy and collection loss were estimated at 17.5% for an effective net income (EGI) of \$494,270. Expenses were estimated at \$140,068 for an estimated net operating income (NOI) of \$354,202.

In determining the appropriate capitalization (CAP) rate, the appraisers analyzed survey and publication data and employed the band of investment methodology to develop an overall CAP rate of 9%. This CAP rate was then loaded for a rate of 9.05%. This rate was then loaded to 19.5% to account for real estate taxes. The NOI was divided by this rate to estimate the market value for the subject under this approach at \$1,860,000, rounded.

In reconciling the approaches to value, the appraiser the sales comparison approach was given significant consideration while the income approach to value was given primary consideration to arrive at an estimate of value for the subject as of January 1, 2017 of \$1,860,000.

The subject's total assessment is \$605,793 with which reflects a market value of \$2,423,172 using the Cook County Real Estate Classification Ordinance level of assessment for class 5 property of 25%.

The board of review did not timely submit its "Board of Review Notes on Appeal" or any evidence in support of its assessed valuation of the subject property.

In support of the subject's assessment, the intervenor submitted raw sales data on five retail, strip mall buildings. These properties range in age from 28 to 66 years and in size from 22,250 to 93,279 square feet of building area. These properties sold from March 2014 to January 2017 for prices ranging from \$55.10 to \$137.08 per square foot of building area. The intervenor did not request a hearing.

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 best evidence of market value to be the appraisal submitted by the appellant. The subject's assessment reflects a market value above the best evidence of market value in the record. The appellant's appraiser utilized the income and sales comparison approaches to value in determining the subject's market value. The Board finds this appraisal to be persuasive because the appraiser personally inspected the subject property, reviewed the property's history, and used similar properties in the sales comparison approach while providing adjustments that were necessary. Therefore, the Board finds the appellant's requests of a reduction to \$505,794 to provide an equitable and uniform assessment supported by the evidence and a reduction to this assessment warranted.

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



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 8, 2021



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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