



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

APPELLANT: Corporate Imaging Concepts, Inc.
DOCKET NO.: 19-38453.001-I-1
PARCEL NO.: 04-05-103-019-0000

The parties of record before the Property Tax Appeal Board are Corporate Imaging Concepts, Inc., the appellant, by attorney Adam E. Bossov, of the Law Offices of Adam E. Bossov, 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 **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: \$102,000
IMPR.: \$146,648
TOTAL: \$248,648

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 2019 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 is improved with a 41-year-old, one-story, industrial/warehouse building of masonry and metal panel construction with an 18,200 square feet of building area. The property has a 48,000 square foot site and is located in Northbrook, Northfield Township, Cook County. The property is 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 estimating the subject property had a market value of \$810,000 as of January 1, 2019. The appraisal used the sales comparison and income capitalization approaches.

For the sales approach, the appraiser relied on five suggested sales comparables that sold between September 2016 and June 2018, for amounts ranging from \$590,000 to \$1,050,000 or between \$40.38 and \$45.00 per square foot of building area, land included in the sale prices. The appraiser adjusted the sales prices to account for differences between the comparables and the subject. For the income approach, the appraiser relied upon rental income from five suggested rental comparables. The rental income sought by the owners for the industrial/warehouse comparables ranged from \$7.25 to \$10.00 per square foot of building area. Comparables #1 through #4 were offered for rent on a gross lease basis, while comparable #5 was offered for rent on an adjusted gross lease basis.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$248,648. The subject's assessment reflects a market value of \$994,592 or \$54.65 per square foot of building area, including land, when applying the Cook County Real Estate Classification Ordinance level of assessment for class 5 property of 25%.

The board of review did not submit any additional evidence in support of its Notes on Appeal.

In rebuttal, the appellant submitted a letter asserting that the that the appellant has met the burden of proof. Additionally, appellant requested the board of review be found in default for failing to submit evidence.

The matter was set for a hearing before an ALJ on December 18, 2023. Before the scheduled hearing, however, the parties entered into a written agreement to waive the hearing and have the matter decided on the evidence that had been submitted.

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). Winnebago County Bd. Of Review v. Property Tax Appeal Bd., 313 Ill. App. 3d 1038, 1043 (2d Dist. 2000). 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.

As a threshold matter, the PTAB finds that when a board of review timely files it "Notes on Appeal," the board of review is not in default.

The Board finds that the appraisal relied on by the appellant is flawed in some respects. Regarding the income capitalization approach, the appraisal relied on five rental properties with varying degrees of similarity to the subject property. The income approach generally values property by dividing its annual market income by a capitalization rate. In this case, the appraiser first examined the rental rates of comparable commercial properties but failed to examine their actual rental income. This data was used to calculate the subject's potential gross income. The appraiser subtracted a 5% vacancy and collection rate from this amount to determine the

subject's effective gross income. The appraiser then calculated the subject's expenses and subtracted them from the potential gross income to derive the figure for the subject's annual market income. The appraiser used the band of investment method to determine an initial capitalization rate of 9.25%. The appraiser then determined that a loaded capitalization rate should be used to address the effect of property taxes. He calculated the loaded capitalization rate as 14.75%. He divided the annual market income figure of \$118,399 into 14.75% to produce an estimated market value for the subject of \$802,705, rounded to \$805,000.

There is no indication that the appraisal took into account actual rental income of the five rental comparables, their vacancy rates or the effect that different physical characteristics have on the comparables desirability for rentals. These unaddressed factors may have resulted in lower rental amounts for these properties, potentially causing the appraiser to understate the subject's value in the income approach. The Board does give some weight to the appraiser's income approach, however.

As to the sales comparison approach, the appellant's suggested comparables are not sufficiently similar to the subject that the difference in assessments demonstrates overvaluation by a preponderance of the evidence. Comparables #2 and #5 have significantly superior land-to-building ratio's than the subject. Comparables #3 and #4 have building areas substantially larger than the subject; with comparable #2 being substantially smaller than the subject. Furthermore, as with the income approach, the appraisal states that adjustments were made to the sales prices of the comparables to reflect differences between each of them and the subject property in things such as age, building area size, and land-to-building ratio, but it does not specify the amounts of any of those individual adjustments. The appraisal also fails to specify the total amounts of the adjustments made to any of the comparables. Under these circumstances, the appellant has not shown by a preponderance of the evidence that the appraiser's valuation of the subject is correct.

While the board of review failed to submit supporting evidence, the appellant ultimately had the burden of showing overvaluation in the assessment process by a preponderance of the evidence. While this Board did give some weight to the appraisal's income approach, that approach alone is insufficient to sustain the burden of proof. See Cook County Bd. of Review v. Ill. Property Tax Appeal Bd., 384 Ill. App. 3d 472, 474 (1st Dist. 2008) (income approach is not sufficient by itself to establish fair market value of property unless the nature of the property makes it impossible to obtain the market data to support a sales comparison approach.) For the reasons stated above, the appellant failed to satisfy this burden, and a reduction in the subject's assessment is not 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:

February 20, 2024



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

Corporate Imaging Concepts, Inc., by attorney:
Adam E. Bossov
Law Offices of Adam E. Bossov, P.C.
1074 W. Taylor Street
Suite 407
Chicago, IL 60607

COUNTY

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