



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

APPELLANT: Nick Theodosis
DOCKET NO.: 19-49839.001-C-2
PARCEL NO.: 03-09-104-021-0000

The parties of record before the Property Tax Appeal Board are Nick Theodosis, the appellant(s), by attorney George N. Reveliotis, of Reveliotis Law, P.C. in Park Ridge; the Cook County Board of Review; Community Consolidated School District No. 21, intervenor, by attorney Ares G. Dalianis of Franczek P.C. in Chicago.

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: \$81,432
IMPR.: \$31,068
TOTAL: \$112,500

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 52-year-old, one-story, restaurant building of masonry construction containing 4,292 square feet of gross building area, or \$49.79 per square foot of gross building area. Features of the improvement include an open dining area, service counter, two multi-use restrooms, kitchen, and manager's office. The site is improved with a paved parking lot. It is a rectangular-shaped parcel with 150 feet frontage on Dundee Road and 300 feet on Ellen Street. The property is situated on 41,250 square feet in the town of Buffalo Grove, Wheeling 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 \$450,000 as of January 1, 2019. The appellant requested a total assessment reduction to \$112,500 when applying the 2019 level of assessment of 25.00% for Class 5 property under the Cook County Real Property Assessment Classification Ordinance.¹

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$213,702. The subject's assessment reflects a market value of \$854,808 when applying the 2019 level of assessment of 25.00% for Class 5 property under the Cook County Real Property Assessment Classification Ordinance. In support of its contention of the correct assessment, the board of review submitted information on four unadjusted suggested comparable sales.

Community Consolidated School District No. 21 intervened in the appeal. It submitted a technical appraisal review report of the appellant's appraisal in support of the assessment. The intervenor requested no change to the assessment.

Appellant's appraisal report, evidence, and hearing testimony

Shawn S. Schneider of Appraisal Development, Incorporated, prepared an appraisal of the subject for *ad valorem* tax purposes in support of the appellant's appeal. He developed valuation by the sales comparison and cost approaches, but not the income capitalization approach. He was qualified at hearing as an expert in the theory and practice of real estate appraisal.

Schneider opined the subject's highest and best use of the site as vacant was for commercial use; highest and best use of the subject as improved was for commercial use. The site's frontage on busy Dundee Road was very limited since the site was a narrow and deep parcel. Typically, a restaurant would benefit from as much exposure as possible to a busy street. Schneider did not include the number of parking spaces in his appraisal report but recalled there were about 55 spaces. The subject was zoned B1 for business use. Four of the selected properties were zoned B2; four were zoned C.

Schneider researched eight improved comparable properties to develop the sales approach. He characterized the subject as a corporate-owned restaurant. He selected single, corporate-owned restaurants for his comparable properties rather than franchise restaurants because they require constant expensive updating. In contrast, franchise restaurants typically have more money available from bank loans and have set designs. One franchise restaurant would look similar to another one, whereas a corporate or family-owned restaurant would look unique. Schneider's eight comparable properties were of family-owned restaurants rather than franchises. They sold from 2016 through 2019 and were in north and northwest suburbs. They were within eleven years of age compared to the subject. They ranged from \$45.78 to \$113.33 per square foot of

¹ The appellant filed appeals for the subject property with the Board in docket numbers 20-32551 and 21-41185. The appellant presented the appeals for the 2019, 2020 and 2021 lien years in a consolidated hearing.

gross building area. After adjusting these properties for various key property characteristics, Schneider concluded the subject property had a value of \$105.00 per square foot of gross building area, or \$450,000 total value.

Schneider also developed a cost approach value. He began his development by selecting eight vacant land comparable properties. He did not discover any comparable vacant lots in Buffalo Grove, the location of the subject. Hence, he enlarged his geographic scope to include vacant lots in nearby municipalities of Arlington Heights, Wheeling, Palatine, Mount Prospect, and Prospect Heights. These ranged from \$3.39 to \$7.57 per square foot of land. After adjusting these vacant properties for location, size, and zoning, Schneider concluded the subject property had a \$265,000 value as vacant. He was cross-examined extensively by the intervenor about the zoning of these vacant properties and whether he adjusted them for differences. Schneider opined the subject was a low-cost Class C restaurant and based his replacement cost conclusions on the Marshall & Swift service. Schneider considered factors such as engineering, architecture, permits and legal costs, developer's profit, depreciation, physical deterioration, and functional and external obsolescence. Total replacement cost was \$743,097, and total depreciation was \$564,499, leaving a difference of \$178,598 for depreciated improvement value. After adding the land value of \$265,000, Schneider concluded a cost approach value of the subject of \$445,000, rounded.

Schneider gave more weight to the sales comparison approach than to the cost approach. His reconciled value as of January 1, 2019, was \$450,000.

Intervenor's technical appraisal review report

William J. Enright of Appraisal Associates prepared a technical appraisal review report of the Schneider appraisal on behalf of the intervenor. Its purpose was to critique Schneider's appraisal. Enright was recognized at hearing as an expert in the theory and practice of real estate appraisal.

Enright reviewed CoStar records on the subject property. He stated the subject had 87 parking spaces, or 19 spaces per one thousand square feet of gross building area, which he considered a high ratio for a restaurant. Enright stated data disclosed traffic count on Dundee Road was nearly 33,000 vehicles per day. Enright reported and testified about Schneider's vacant land properties. He stated many were zoned for only office or industrial use, were distressed sales, or were in a flood hazard area. For some, Schneider did not adjust for inferior zoning. Regarding Schneider's sales comparison approach, Enright testified that there was no verification with parties to those transactions in Schneider's report. Some of those improved sales had low parking ratios or were distressed sales. Enright opined that the credibility of Schneider's report was undermined by numerous deficiencies.

Enright reported on and testified about four additional comparable sale properties. None of these were in Buffalo Grove, but were in the nearby municipalities of Schaumburg, Streamwood, and Mount Prospect. He opined these were similar to the subject property and were on major arterial streets like Dundee Road. He opined these sales were in a range from \$209 to \$263 per square

foot of gross building area, a range higher than the \$105 per square foot value according to Schneider. Enright testified these additional properties were restaurants. Three of these restaurants were fast food franchises. A fourth was a family-style restaurant but was a bigger building than the subject.

Appellant's Exhibit number 1, identified as Master Statement Legal; Intervenor's Exhibit number 1, identified as ADI sale #4; Intervenor's Exhibit number 2, identified as VAH Zoning Ordinance; were entered into evidence without objections.

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 issues addressed in documentary evidence and in testimony revolve primarily around factual distinctions. The subject property is a single, family-owned restaurant. Schneider selected comparable properties that were family-owned restaurants; Enright focused mostly on franchise restaurants. The differences are significant. Single-owned, family restaurants are more costly to operate, tend to appear and function uniquely, and often do not have significant financial resources. Franchise restaurants tend to be similar, if not identical, in appearance and function. They have greater financial resources from banks and their franchise companies. The subject site was on busy Dundee Road but had narrow frontage. Franchise restaurants often are situated to include a drive-through operation, but the subject did not have this feature. Neither Schneider nor Enright selected restaurant properties near the subject because of the limited supply of them in Buffalo Grove. Hence, they enlarged their geographical area of search to include nearby municipalities.

Witness credibility and evidence reliability are major considerations in determining whether a change of assessment is warranted. Weighing evidence "requires the trier of fact to find whether the greater amount of credible evidence presented sustains the issue that is to be established." *Kraft Foods, Inc. v. Illinois Property Tax Appeal Board*, 2013 Il App. (2d) 121031, ¶48. Appraisers are market valuation experts whose opinions may vary in good faith. See, *Board of Education of the City of Chicago v. Gorenstein*, 179 Ill.App.3d 388, 394 (1st Dist. 1989). The Board gives the Schneider appraisal more weight than the Enright report. The focus of the Schneider appraisal on single, family-owned restaurants was a major distinction in determining the reliability of the evidence.

The Board considers the weight and credibility of the documentary and testimonial evidence, and of the arguments made. The best evidence of market value is the appraisal submitted by the appellant. The Board finds the subject property had a market value of \$450,000 as of the assessment date at issue. Since market value has been established, the 2019 level of assessment

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of 25.00% for Class 5 property under the Cook County Real Property Assessment Classification Ordinance shall apply.

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: _____

October 15, 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

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