



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

APPELLANT: Illiana Financial Credit Union
DOCKET NO.: 20-38257.001-R-1
PARCEL NO.: 29-31-400-015-0000

The parties of record before the Property Tax Appeal Board are Illiana Financial Credit Union, the appellant, by attorney William I. Sandrick, of Sandrick Law Firm, LLC in South Holland; 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: \$3,074
IMPR.: \$18,720
TOTAL: \$21,794

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 2020 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 2-story mixed-use building of masonry exterior with approximately 2,650 square feet of building area. The building was constructed in 1955 and is approximately 65 years old. Features include a basement, 897 square feet of first floor office space, and two apartment units. The property has an 8,784 square foot site and is located in Homewood, Thornton Township, Cook County. The subject is classified as a class 2-12 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 \$155,000 as of January 1, 2019. The appraisal was prepared by David M. Richmond, a certified general real estate appraiser, who valued the leased fee interest in the subject property. The appraiser inspected the subject property on January 10, 2020.

Under the income approach, the appraiser examined office and apartment rent comparables to estimate market rent for subject's office space of \$13.00 per square foot or \$11,661 annually and for the subject's two apartments of \$900 per month or \$10,800 each annually. The appraiser calculated gross potential income of \$33,261. The appraiser next estimated a vacancy rate of 6% or \$1,996, which was subtracted from gross potential income to compute an effective gross income of \$31,265. The appraiser estimated expenses totaling \$9,126, including leasing commissions, maintenance and repairs, utilities, and insurance. After subtracting expenses, the appraiser computed net operating income of \$22,139. To determine the capitalization rate, the appraiser examined the band of investment and direct capitalization methods to estimate a rate of 9.00% and then compute a loaded capitalization rate of 13.86%. Using this loaded rate, the appraiser arrived at a value for the subject of \$160,000 rounded.

Under the sales comparison approach, the appraiser selected four comparable sales located in Homewood with varying degrees of similarity to the subject. The comparables sold from November 2017 to January 2018 for prices ranging from \$160,000 to \$505,000 or from \$56.30 to \$67.33 per square foot of building area, including land. The appraiser made adjustments to the comparables for differences from the subject to arrive at adjusted prices ranging from \$56.30 to \$57.56 per square foot of building area. Based on this analysis, the appraiser concluded a value for the subject of \$58.00 per square foot or \$155,000.

The appraiser did not develop the cost approach due to the subject's significant physical, functional and economic obsolescence. The appraiser gave most weight to the sales comparison approach in concluding a value of \$155,000 for the subject's leased fee interest as of January 1, 2019.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$21,794. The subject's assessment reflects a market value of \$217,940 or \$82.24 per square foot of building area, including land, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%.

In support of its contention of the correct assessment the board of review submitted information on three comparable sales located in Homewood, Lansing, or Thornton. The parcels range in size from 2,500 to 25,520 square feet of land area and are improved with 2-story, class 2-12 buildings of frame or masonry exterior construction ranging in size from 1,686 to 4,971 square feet of building area. The buildings range in age from 59 to 113 years old. Two comparables each have a basement and central air conditioning. One comparable has a concrete slab foundation and two comparables each have a 2-car or a 4-car garage. The comparables sold from November 2018 to September 2020 for prices ranging from \$125,000 to \$310,665 or from \$25.15 to \$106.76 per square foot of building area, including land.

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

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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant presented an appraisal and the board of review presented three comparable sales in support of their respective positions before the Board. The Board gave less weight to the appellant's appraisal, which states a value conclusion one year before the assessment date at issued and relies on sales occurring in 2017 and 2018. Moreover, the appraisal states a value conclusion of the subject's leased fee interest, which is not appropriate for a property tax appeal as the value of a property's leases are not assessed.

The Board finds the best evidence of market value to be the board of review's comparable sales, which sold more proximate in time to the assessment date than the appraisal sales. These properties have varying degrees of similarity to the subject in building size, age, location, and features, suggesting adjustments to these comparables would be needed to make them more equivalent to the subject. The comparables sold for prices ranging from \$125,000 to \$310,665 or from \$25.15 to \$106.76 per square foot of living area, including land. The subject's assessment reflects a market value of \$217,940 or \$82.24 per square foot of living area, including land, which is within the range established by the best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds a reduction in the subject's assessment is not justified.

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: _____

July 16, 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

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