



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

APPELLANT: Fred Hub  
DOCKET NO.: 20-46611.001-R-1  
PARCEL NO.: 32-20-213-001-0000

The parties of record before the Property Tax Appeal Board are Fred Hub, 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 **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:** \$2,442  
**IMPR.:** \$15,558  
**TOTAL:** \$18,000

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 112-year-old, one-story, part two-story mixed-use building of frame construction with 4,203 square feet of building area. The building contains a funeral home and related living on the second floor consisting of two apartment units located over a five-car garage. The property has a 7,516 square foot site and is located in Chicago Heights, Bloom Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant asserts overvaluation as the basis of the appeal. In support of this argument, the appellant submitted an appraisal estimating that the subject property had a market value of \$180,000 as of January 1, 2020. The appraisal used the sales comparison and income approaches. For the sales approach, the appraiser relied on five suggested sales comparables (comparable six is merely a listing) that sold between July 2019 and November 2021, for

amounts ranging from \$113,500 to \$219,000, or between \$32.43 and \$73.08 per square foot of living area, land included in the sale prices. The appraiser adjusted the sales prices to account for differences between the comparables and the subject. After applying the adjustments, the appraiser determined that the subject's value was \$36.00 per square foot of building area, for a total of \$173,880, which was rounded to \$175,000.

For the income approach, the appraiser relied upon area market rents. The appraiser utilized six comparables consisting of four apartments and two townhouses of various sizes in Proviso Township. The rental income ranged from \$750 to \$1,600 per month. The appraiser determined from this data that the subject's two-bedroom apartment would lease for \$1,100 per month, and its five-bedroom apartment would lease for \$1,600 per month.

The appraiser then considered the potential income from the commercial space. In so doing, he relied upon one suggested existing commercial lease comparable in Chicago Heights and asking lease prices from five other properties in the Far South submarket. These ranged from \$8.00 to \$10.00 per month. The appraiser determined from this data that the subject's commercial space could be leased for \$8.50 per square foot, or \$21,092 annually.

The appraiser concluded the total annual potential gross income for the subject was \$53,492. The appraiser subtracted 12% of this amount, or \$6,419, for vacancy and collection loss, leaving an effective gross income of \$47,073. The appraiser then calculated the subject's annual expenses as \$15,588, leaving a potential net operating income of \$31,485.

Using the band of investment method, the appraiser determined an initial capitalization rate of 11%. To account for the subject's property taxes, which were not reflected in the next operating income, the appraiser added tax constant of 5.88% to come up with a 16.88% capitalization rate. The appraiser then calculated the subject's value under the income approach by dividing the net operating income of \$31,485 by the capitalization rate of 16.88% for a total of \$186,523, rounded to \$185,000. Reconciling the sales comparison and income capitalization approach results, the appraiser determined that the subject's value was \$180,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$44,793. The subject's assessment reflects a market value of \$447,930, or \$106.57 per square foot of living area, land included, when using the Cook County Real Estate Classification Ordinance level of assessment for class 2 property of 10%.

In support of the assessment, the board of review submitted information about sales of two suggested comparable properties. The suggested comparables sold between September 2019 and October 2019 for amounts ranging from \$71,736 to \$165,165, or between \$31.13 and \$33.07 per square foot of building area, land included in the sales prices.

### **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 taxpayer must prove the value of the property 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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds that the best evidence of the subject's market value is the appraisal submitted by the appellant. That appraisal employed the sales comparison and income approaches. The sales comparison approach relied upon recent sales of five suggested comparable properties. The appraisal stated that the sale prices of the suggested comparable properties were adjusted to account for differences between them and the subject, taking into account such factors as size, condition and location, and the appraiser determined that the subject's market value under that approach was \$175,000. The appraisal's income approach relied on market rental data from apartments and commercial properties. The appraiser determined that the subject's value under this approach was \$185,000. Reconciling the two approaches, the appraiser determined that the subject had a market value of \$180,000. The Board gives diminished weight to the appraiser's income approach because of its substantial reliance on lease asking prices in calculating the potential income from leasing the subject's commercial space, but it finds that the appraiser's sales comparison approach was well supported, and it adequately supports the appraiser's valuation of the subject.

In contrast, the board of review's evidence consists of data concerning comparable properties that have significantly less building area square footage, different designs and exterior construction. Moreover, the board of review's own sales comparables support a reduction.

Accordingly, the Board finds the subject property had a market value of \$180,000 as of the assessment date at issue. Based on the evidence, the Board therefore finds a reduction in the subject's assessment is justified. Therefore, the Board finds the appellant has proven, by a preponderance of the evidence, that the subject is overvalued, and that a reduction in the subject's assessment is 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.

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Chairman



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Member



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Member



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Member



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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 18, 2024



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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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