



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

APPELLANT: Alex Deligiannis  
DOCKET NO.: 21-05215.001-C-1  
PARCEL NO.: 06-32-476-008

The parties of record before the Property Tax Appeal Board are Alex Deligiannis, the appellant, by attorney George N. Reveliotis, of Reveliotis Law, P.C. in Park Ridge; and the Kane 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 **Kane** County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND:** \$154,998  
**IMPR.:** \$290,190  
**TOTAL:** \$445,188

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Kane County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2021 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 one-story multi-tenant retail strip shopping center of brick, block, and concrete exterior construction with 8,508 square feet of gross building area. The building has a concrete slab foundation and was constructed in 2004. The building has approximately 8,500 square feet of net rentable area divided into five units, which each have air conditioning and a wet sprinkler system. The subject property has a 62,726 square foot, or 1.44 acre, site resulting in a land-to-building ratio of 7.37:1. The subject is located in South Elgin, Elgin Township, Kane County.

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 \$1,000,000 as of January 1, 2019. The appraisal was prepared by Shawn Schneider, a certified

general real estate appraiser, for ad valorem tax purposes to opine the market value of the subject's fee simple interest.

Under the income capitalization approach, the appraiser calculated the subject's potential gross income of \$194,400 from subject's actual rental income and six lease comparables, vacancy and collection losses of \$19,440 at a rate of 10.00% based on area market data, and operating expenses of \$61,660 (excluding real estate taxes) to determine a net operating income of \$113,300. The appraiser used a loaded capitalization rate of 11.35% based on the band of investment method to calculate an indicated value of \$998,647, rounded to \$1,000,000, for the subject. The appraiser calculated operating expenses and the capitalization rate with and without real estate taxes, from which the appraiser concluded the subject's real estate taxes were excessive.

Under the sales comparison approach, the appraiser analyzed six comparable sales of fee simple interests located in South Elgin, Elgin, Aurora, North Aurora, and St. Charles. The comparables are improved with one-story multi-tenant retail strip shopping centers ranging in size from 6,000 to 18,940 square feet of gross building area. The buildings were constructed from 1965 to 2014. The parcels range in size from 26,572 to 126,324 square feet of land area resulting in land-to-building ratios from 3.36:1 to 9.02:1. The comparables sold from May 2016 to December 2018 for prices ranging from \$670,000 to \$2,000,000 or from \$43.56 to \$128.00 per square foot of gross building area, including land. The appraiser made adjustments to the comparables for sale and market conditions and for differences from the subject, such as location, condition, age, building size, and land-to-building ratio, resulting in adjusted prices from \$52.27 to \$122.83 per square foot of gross building area. The appraiser opined the subject had a market value of \$978,420 or \$115.00 per square foot of gross building area, including land, rounded to \$980,000 as of January 1, 2019.

The appraiser did not develop the cost approach due to the age of the subject building and a lack of vacant land sales in the area. The appraiser gave the most weight to the income capitalization approach asserting that production of income is the primary factor for this type of investment, with some weight being given to the sales comparison approach. Based on the foregoing, the appraiser stated a value conclusion for the subject property of \$1,000,000 as of January 1, 2019.

The appellant submitted a copy of the final decision of the board of review disclosing the property has a total assessment of \$445,188, which would reflect a market value of \$1,335,698 or \$156.99 per square foot of gross building area, including land, when apply the statutory level of assessment of 33.33%.

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$366,519 which would reflect a market value of \$1,099,667 or \$129.25 per square foot of gross building area, including land, when applying the statutory level of assessment of 33.33%.

The board of review timely submitted its evidence in support of its contention of the correct assessment, consisting of an appraisal estimating the subject has a market value of \$1,390,000 as of January 1, 2019. The appraisal was prepared by Phillip J. Butler, a certified general appraiser with MAI designation, for ad valorem tax purposes.

Under the income capitalization approach, the appraiser calculated the subject's potential gross income of \$163,900 from subject's actual rental income and seven lease comparables, vacancy and collection losses of \$12,293 at a rate of 7.50% based on area market data, and operating expenses of \$42,750 (excluding real estate taxes) to determine a net operating income of \$108,857. The appraiser used a loaded capitalization rate of 7.75% derived from market data to calculate an indicated value of \$1,404,606, rounded to \$1,400,000, for the subject.

Under the sales comparison approach, the appraiser examined four comparable sales of leased fee interests located in Aurora, Winfield, West Dundee, and Huntly. The comparables are improved with one-story multi-tenant retail strip shopping centers ranging in size from 10,126 to 13,924 square feet of gross building area. The buildings were constructed from 1970 to 1999. The parcels range in size from 40,000 to 56,192 square feet of land area resulting in land-to-building ratios from 3.80:1 to 5.40:1. The comparables sold from October 2016 to December 2019 for prices ranging from \$1,675,000 to \$2,365,000 or from \$159.11 to \$177.76 per square foot of gross building area, including land. The appraiser made adjustments to the comparables for dated sales and for differences from the subject, such as age, land-to-building ratio, building size, and site location and access, resulting in adjusted prices from \$159.18 to \$188.73 per square foot of gross building area, including land. The appraiser opined the subject had a market value of \$1,385,000 or \$163.00 per square foot of gross building area, including land, as of January 1, 2019.

The appraiser did not develop the cost approach due to the age of the subject building and/or a lack of vacant land sales in the area. The appraiser gave equal weight to the income capitalization approach and the sales comparison approach to state a value conclusion for the subject property of \$1,390,000 as of January 1, 2019.

The board of review also submitted a document entitled "2021 Income Approach" from the township assessor and information on four comparable sales from the township assessor. The township assessor stated an opinion of market value of \$1,640,000 under the income approach based on a net operating income of \$134,766 and a loaded capitalization rate of 8.22%. The comparable sales are located in Elgin, Huntley, and South Elgin and are improved with one-story multi-tenant retail strip shopping centers of masonry exterior construction ranging in size from 6,000 to 16,294 square feet of gross building area. The buildings were constructed from 1990 to 2002. The parcels range in size from 24,829 to 95,832 square feet of land area resulting in land-to-building ratios from 4.14:1 to 7.80:1. The comparables sold from August 2016 to March 2021 for prices ranging from \$635,000 to \$4,040,000 or from \$105.83 to \$324.00 per square foot of gross 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 submitted an appraisal and the board of review submitted an appraisal, a valuation written by the township assessor, along with four comparable sales for the Board's consideration. The Board gives less weight to the appellant's appraisal, which relies on sales more remote in time from the January 1, 2021 assessment date than other sales evidence in this record, and to the board of review's appraisal, which relies on comparable sales of leased fee interests. The Board also gives less weight to the township assessor's valuation given it has no supporting data, calculations, and explanation of methodology and is insufficient as an appraisal and/or value opinion. The Board gives less weight to the board of review's comparables #1 and #3, due to their sale dates which are more remote in time from the assessment date than other comparable sales in this record.

On this record, the Board finds the best evidence of market value to be the board of review's comparable sales #2 and #4, which sold more proximate in time to the assessment date and are relatively similar to the subject in site size, gross building area, age, and location. These comparables sold in July 2019 and March 2021 for prices of \$3,060,000 and \$2,700,000 or for \$324.00 and \$181.28 per square foot of gross building area, including land, respectively. The subject's assessment reflects a market value of \$1,335,698 or \$156.99 per square foot of gross building area, including land, which is below the best and most recent comparable sales in this record. Based on this evidence and after considering appropriate adjustments to the best comparable sales in this record for differences from the subject, the Board finds that 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



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:

August 23, 2022



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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