



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

APPELLANT: William DeLeo  
DOCKET NO.: 23-55795.001-R-1  
PARCEL NO.: 24-30-300-010-0000

The parties of record before the Property Tax Appeal Board are William DeLeo, the appellant, by Glenn Guttman, attorney-at-law of Rieff Schramm Kanter & Guttman 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 **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:** \$9,175  
**IMPR.:** \$25,825  
**TOTAL:** \$35,000

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 2023 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 14,680 square foot site improved with a one-story mixed-use building of masonry and concrete block exterior construction containing 6,361 square feet of building area. The building was constructed in 1960 and is approximately 63 years old. The building is comprised of a 5,026 square foot storefront, commercial space, and a 1,335 square foot rear 1-bedroom apartment. Features of the building include a full unfinished basement, three bathrooms, gas-fired heater and central air conditioning in the residential unit, and space heaters in the warehouse. The property also has a parking lot with four surface spaces. The property has a land-to-building ratio of 2.31:1. The property is in Palos Heights, Worth Township, Cook County. The subject is classified as a class 2-12 mixed-use 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 \$350,000 as of January 1, 2023. The appraisal was prepared by Joseph J. Calvanico, an Illinois Certified General Real Estate Appraiser. The intended use of the appraisal was to aid in establishing the retrospective market value for an ad valorem assessment appeal. The unencumbered fee simple property rights were appraised. The appraiser determined the highest and best use of the property as its current use. The appraiser indicated that an inspection of the improvements was conducted on February 13, 2024. The appraiser determined the subject property to be in average condition. In estimating the market value of the subject property, the appraiser developed the sales comparison approach to value and the income capitalization approach to value.

Under the sales comparison approach to value, the appraiser utilized five comparable sales of mixed-use properties that are in Worth, Chicago, Evergreen Park, Blue Island and Burbank. The comparables are composed of two-story buildings that range in size from 3,100 to 12,000 square feet of rentable building area.<sup>1</sup> The buildings were constructed from 1949 to 1992. These properties have sites containing from 4,356 to 9,558 square feet of land resulting in land-to-building ratios ranging from .55:1 to 1.97:1. Comparables #1, #2, #4 and #5 have from 4 to 13 surface spaces and comparable #2 has three additional covered spaces. The comparables sold from January 2020 to August 2022 for prices ranging from \$200,000 to \$500,000 or from \$41.67 to \$64.52 per square foot of building area, including land.<sup>2</sup>

The appraiser explained that the comparable sales were adjusted on a quantitative basis contained on an adjustment grid on page 48 of the appraisal. The appraiser first adjusted the comparables for transaction anomalies for such items as property rights, terms of finance, conditions of sale, and market trends. The appraiser made no adjustments to the comparables for property rights, terms of finance and conditions of sale. Although the appraiser stated on page 47 of the appraisal that no adjustments were made for market trends, on the adjustment grid on page 48 of the appraisal a 5% adjustment was made to comparable #3 increasing the adjusted value per square foot for the comparable to \$43.75 per square foot of building area. The comparables had adjusted values after the transaction adjustments ranging from \$43.75 to \$64.52 per square foot of building area.

The appraiser next made property adjustments to the comparables for location, configuration/size per unit, land-to-building ratio, and quality/condition. The appraiser made no adjustments to the comparables for location. With respect to configuration/size, comparable #2 received a 3% adjustment, comparable #3 received a 5% adjustment, and comparable #5 received a -3% adjustment. Regarding land-to-building ratio, comparable #1 received a 3% adjustment, comparable #2 received a 5% adjustment, comparable #3 received a 5% adjustment, and comparable #4 received a 5% adjustment. With respect to quality/condition, comparable #4 received a -5% adjustment due to its more recent construction year. The comparables had

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<sup>1</sup> On page 46 of the report the appraiser described comparable #5 as being a three-story building. On page 48 of the report the appraiser indicated the comparable was a two-story building. The photograph of the comparable on page 46 depicts a two-story building.

<sup>2</sup> On page 44 of the report the appraiser reported comparable #3 sold in January 2020. On page 48 of the report the appraiser reported comparable #3 sold in January 2022. The appraiser made a 5% market trend adjustment to comparable #3, which supports the conclusion the property sold in January 2020 as the other sales that occurred in 2022 did not have a market trend adjustment.

adjusted prices ranging from \$48.13 to \$62.58 per square foot of building area, including land, with an average of \$54.20 per square foot of building area. Based on the quantitative analysis of the comparable sales, the appraiser estimated the subject had a value of \$55.00 per square foot of building area or \$350,000, rounded, using the sales comparison approach to value.

The appraiser next developed the income capitalization approach to value. The appraiser first estimated the market rent associated with the apartment using four comparable rentals composed of 1-bedroom, 1-bathroom apartments located in Justice, Orland Park and Worth. Each comparable was available for rent with asking rents ranging from \$840.00 to \$1,065.00 per month, with an average of \$962.50 per month. The appraiser projected a market rent for the subject's residential unit of \$950.00 per month, which translates to an annual income of \$11,400 or \$8.54 per square foot of building area.

The appraiser used four retail storefront rental comparables to estimate the market rent for the subject's 5,026 square feet of retail space. The comparables are located in Blue Island, Orland Park, and Burbank. The comparables range in size from 1,500 to 6,130 square feet of rentable building area with rents ranging from \$7.50 to \$10.00 per square foot per year, with an average of \$9.13 per square foot per year. The appraiser projected the market rent for the subject's commercial unit of \$9.50 per square foot of building area on a gross basis for an annual income of \$47,747.

The appraiser estimated the subject would have a potential gross income of \$59,147 (\$11,400 + \$47,747). The appraiser indicated in the market analysis section of the appraisal the multi-family market vacancy rate in 2023 was 4.5% and the retail market vacancy rate was 4.8%. The appraiser concluded the subject property would have a vacancy and collection loss of 5% of potential gross income or \$2,957, which was deducted from the potential gross income to arrive at an effective gross income of \$56,190. The appraiser next deducted expenses for insurance, legal and professional fees, utilities, reserves, and repairs and maintenance totaling \$17,500 or 31.14% of effective gross income to arrive at a net operating income of \$38,690.

The appraiser next estimated the capitalization rate to be applied to the net operating income. Using a market derivation method the appraiser used the comparable sales in the appraisal to arrive at capitalization rates ranging from 9.31% to 14.42% with an average of 11.72%. Using the investor survey method, the appraiser consulted the first quarter 2023 Realty Rates Investor Survey for the multi-family market and industrial market cap rates. The survey indicated that the multi-family market capitalization rate ranged between 5.07% and 11.03%, averaging 7.79%. The survey also indicated the retail market capitalization rates ranged between 5.58% and 14.10%, averaging 9.82%. Using the market extraction method and capitalization rates from published sources, the appraiser concluded the capitalization rate for the subject property of 7.50%. Due to the fact that real estate taxes were excluded from the stabilized totals, the appraiser developed a tax load factor of 3.61%, which was added to the capitalization rate of 7.50%, to arrive at a loaded capitalization rate of 11.11%. The appraiser next divided the net operating income of \$38,690 by the loaded capitalization rate of 11.11% to arrive at an estimated value under the income capitalization approach of \$350,000, rounded.

The appraiser next reconciled the two approaches to value and estimated the subject property had a market value of \$350,000 as of January 1, 2023. The appellant requested the subject's assessment be reduced to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$57,000. The subject's assessment reflects a market value of \$570,000 or \$89.61 per square foot of building area, including land, when applying the level of assessment for class 2-12 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 four comparable sales consisting of class 2-12 mixed-use properties improved with one-story, 1.5-story or three-story buildings of masonry construction that range in size from 1,510 to 7,770 square feet of building area. The buildings are 14 to 97 years old. Two comparables have slab foundations and two comparables have full or partial basements. Three comparables have central air conditioning. Three comparables have a 2-car or 2.5-car garage. The comparables have 2, 3 or 6 full bathrooms and two comparables have an additional 2 or 3 half bathrooms. These properties have sites ranging in size from 3,750 to 9,982 square feet of land area. The comparables are located in Evergreen Park, Oak Lawn and Chicago. The sales occurred from July 2022 to December 2023 for prices ranging from \$300,000 to \$1,150,000 or from \$148.01 to \$261.07 per square foot of building area, land included.

In rebuttal the appellant's counsel asserted that the board of review comparables sales are not located in Palos Heights and should not be given any weight since they are all located in Evergreen Park, Oak Lawn and Chicago.

### **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 Board finds the best evidence of market value to be the appraisal submitted by the appellant estimating the subject property had a market value of \$350,000 as of January 1, 2023. The appellant's appraiser developed the sales comparison approach to value and the income approach to value. The comparable sales contained in the sales comparison approach to value in the appraisal appeared to be more similar to the subject in size, age and features than are the sales presented by the board of review. Additionally, the appellant's appraiser adjusted the comparables for differences from the subject and explained the adjustment process in the report, which appeared logical. Conversely, the board of review had no discussion about the differences between the subject property and the comparable sales it submitted and made no attempt to adjust these properties for differences from the subject property, which detracts from the weight given this evidence. The Board finds the conclusion of value developed by the appraiser's sales comparison approach is credible.

The appellant's appraiser also developed the income approach to value wherein the appraiser estimated the market rent for the commercial space and the subject's apartment, the potential gross income, the vacancy and collection loss, the effective gross income, expenses to be deducted from the effective gross income, the net operating income, and the loaded capitalization rate to convert the net operating income into an estimate of value. Conversely, the board of review did not develop an income approach to value and did present any evidence to refute the data or conclusions contained in the income approach to value within the appellant's appraisal. The Board finds the income approach to value developed by the appellant's appraiser is credible.

The subject's assessment reflects a market value of \$570,000, which is above the appraised value presented by the appellant of \$350,000. Based on this evidence the Board finds a reduction in the subject's assessment to reflect the appraised value presented by the appellant 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.



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:

April 21, 2026



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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