

Cook County Assessor's Office

HANOVER TOWNSHIP

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Director of Valuations Research, Amanda Edwards**

July 12, 2022



Responsibilities of the Assessor's Office

- Setting fair and accurate values for **1.9 million parcels** of Cook County property.
- The value of these properties is not determined on an individual basis, but rather by a mass appraisal system.
- The mass appraisal system is a way to put fairness into the entire assessment process.
- **Administers property tax exemptions that may contribute to lowering your property tax bill.**



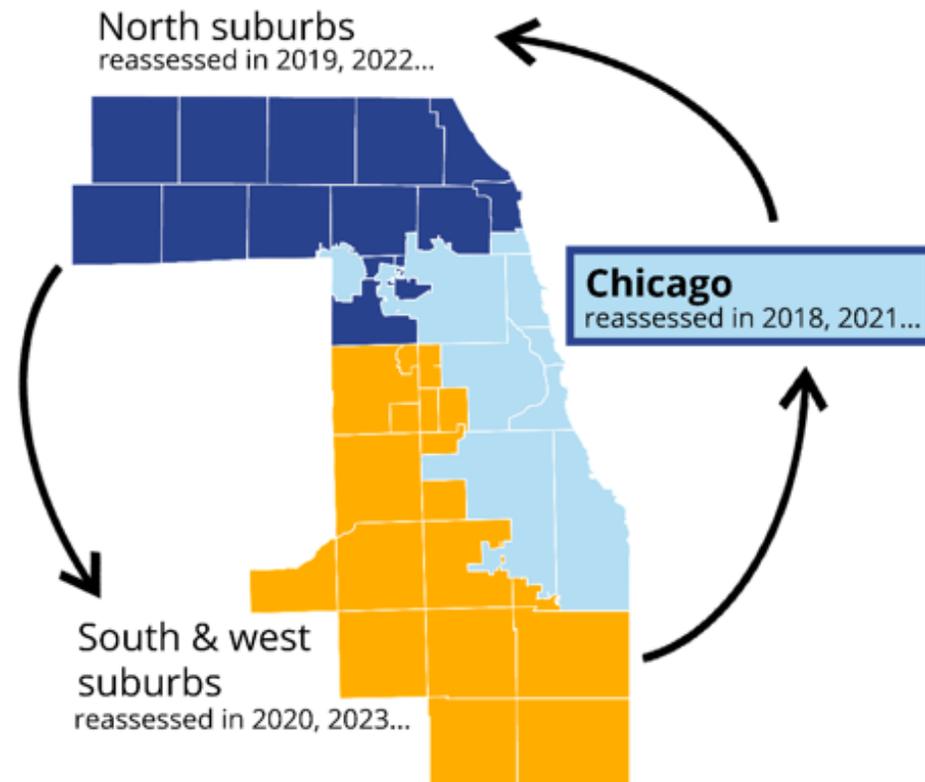
Cook County's Triennial Reassessment Cycle

Cook County follows a triennial reassessment cycle, meaning that a determination of each property's fair market value and corresponding assessed value occurs once every three years.

A property's reassessment year depends on the township in which the property is located.

- **During a property's reassessment year, an appeal may be filed within 30 calendar days after the notice of the new assessed value is mailed.**

Cook County's Triennial Reassessment Cycle



Illinois property taxes: budget then tax, not tax then spend.

Property Tax Levies



are re-budgeted every year to help fund local public services, like schools and community health centers.



Taxing agencies conduct public hearings, publish their levy, and certify their levy to the Cook County Clerk.



Local Tax Rates

are calculated by the **Cook County Clerk**, dividing levies by Equalized Assessed Values.



Your Property Tax Bill

is issued and collected by the **Cook County Treasurer**, then distributed to taxing districts to fund services.

Property Tax Base



Cook County Assessor's Office

- Revaluation and reassessment
- Assessment appeals
- Property tax incentives and exemptions



Cook County Ordinance

- Transforms property values → Assessed Values, based on property use



Cook County Board of Review

- Assessment appeals
- Finalizes the Assessed Values (AVs) used for property taxation



Illinois Department of Revenue

- Calculates Cook County's **Equalizer**. This transforms AVs → Equalized AVs (EAVs). Exemptions reduce EAVs.



What is the Affordable Housing Special Assessment Program?

- Established by the Affordable Housing Omnibus Bill, HB2621
- Property tax relief to incentivize the creation, rehabilitation, and maintenance of affordable housing units in Cook County.
- Property owners who qualify can receive yearly reductions in assessed value beginning with the 2022 assessment year.

PROGRAMS HB2621 ESTABLISHED:

- (1) Low-Income Housing Tax Credit program (“LIHTC”); and
- (2) Three tiers of reduced valuation programs:
 - **“15 Percent Tier”**
 - **“35 Percent Tier”**
 - **“Low Affordability Communities”**

Tiers of Affordability

There are three tiers of affordability:

- **“15 Percent Tier”** At least 15% and less than 35% of dwelling units maintained as affordable units.
- **“35 Percent Tier”** At least 35% of dwelling units maintained as affordable units.
- **“Low Affordability Communities”** 20% or greater of dwelling units maintained as affordable units in a Low Affordability Community

For more information:

cookcountyassessor.com/affordable-housing

Email:

assessor.ahsap@cookcountyil.gov

Phone:

(312) 603-7821

Commercial Vacancy Policy

Takes into consideration good-faith efforts to lease/rent property while encouraging economic development.

Example calculation:

Current assessed value of the building for a subject property is \$1,000,000.

Total Rentable Area in Building	100,000 s.f.
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Weighted Occupancy for 2019	50%
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Weighted Percentage Vacancy for 2019	50%
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Commercial Vacancy Policy

What is it?

How a property can appeal its assessment based on a building being partially or completely vacant

What does it say?

A commercial property can only receive a reduction in assessed value for vacancy if they document the vacancy (photos, utility bills, etc.)

How much of a reduction can a property receive?

Half of the claimed vacancy

For example:

- Let's say a property is 50% vacant
- Only 25% of the vacancy can be received in an appeal

Commercial Vacancy Policy

How does this benefit other property owners?

- Encourages more economic development
- Adds more value to the tax base which can reduce overall tax rates
- Spreads out the overall tax burden so less of it falls on residents

RPIE: Real Property Income & Expense

The screenshot displays the RPIE web application interface. On the left is a navigation sidebar with options like 'Add a building', 'Filing In Progress', 'Affordable Housing', 'Do you own...', 'Associated PI...', 'Reason for filing...', 'Filing Details', 'Parties', and 'Review and Submit'. The main content area features two data entry tables. The top table is for affordable housing units, and the bottom table is for general property units. Both tables have a 'Save' and 'Cancel' button at the end of each row.

UNIT	MONTHS VACANT DURING PRIOR 12 MONTHS	VACANT ON DATE OF SUBMISSION?	AFFORDABLE / SUBSIDIZED	GARDEN APARTMENT	OWNER OCCUPIED ON DATE OF SUBMISSION?	BEDR
1A	2- <4 months	No	No	No	No	

UNIT	MONTHS VACANT DURING PRIOR 12 MONTHS	VANCANT ON DATE OF SUBMISSION?	OWNER OCCUPIED ON DATE OF SUBMISSION?	SQUARE FEET	LEASE TYPE	USE
206	6 - <8 months	Yes	No	2600	Triple Net	Offi

Commercial Property Calculations

- Determine a property's use

Property history, class, tenants, business, and photography of the parcel

- Estimate income (e.g. rent), expenses, and market-level vacancy

Vacancy assumptions are built into our initial assessments

- Produce capitalization (cap) rates using market data

Relationship between net operating income (NOI) and the total property value

Building value = Estimated NOI divided by cap rate

Commercial reporting data

Apartments containing 7+ units (Class 3 & Affordable Housing)

In addition to interviews with local market participants, recent apartment sales were noted and cap rates were extracted from the market and supported by independent third-party market data sources.

APARTMENTS - CLASS 3 & AFFORDABLE HOUSING MARKET RENTS			
	MIN	MAX	AVERAGE
Studio	\$600	\$700	\$686
One-Bedroom	\$850	\$1,085	\$913
Two-Bedroom	\$1,200	\$1,475	\$1,286
Three-Bedroom	\$1,500	\$2,200	\$1,639
Four-Bedroom	\$1,750	\$2,500	\$1,938

	NUMBER OF PROPERTIES	VACANCY & COLLECTIONS LOSS			EXPENSE RATIO			CAP RATE		
		MIN	MAX	AVERAGE	MIN	MAX	AVERAGE	MIN	MAX	AVERAGE
Apartments - Class 3	25	5.00%	5.00%	5.00%	50.00%	55.00%	54.60%	5.00%	9.00%	8.32%
Apartments - Affordable Housing	6	5.00%	5.00%	5.00%	75.00%	75.00%	75.00%	9.50%	9.50%	9.50%

Commercial reporting data

Single-story standalone properties (class 5-17)

This property class (“One-story commercial building”) comprises a broad range of freestanding buildings. Although the businesses within these structures tend to vary, the buildings tend to have similar sale prices (expressed as \$/SF), and the rents, vacancies, and expenses used in their valuations are similar.

CLASS 5-17	NUMBER OF PROPERTIES	MARKET RENTS			VACANCY & COLLECTIONS LOSS			EXPENSE RATIO			CAP RATE		
		MIN	MAX	AVERAGE	MIN	MAX	AVERAGE	MIN	MAX	AVERAGE	MIN	MAX	AVERAGE
Fast Food	16	\$20.70	\$23.00	\$22.27	5.00%	5.00%	5.00%	15.00%	15.00%	15.00%	8.00%	9.50%	8.09%
Medical Office	14	\$12.80	\$28.80	\$20.36	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	9.00%	9.00%	9.00%
Professional Office	16	\$10.24	\$22.00	\$17.88	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	9.00%	10.50%	9.09%
Restaurant	18	\$9.72	\$27.72	\$16.50	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	9.00%	9.00%	9.00%
Retail-Freestanding	37	\$6.91	\$27.72	\$17.42	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	8.50%	8.50%	8.50%
Retail-Storefront	5	\$12.96	\$18.00	\$15.84	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	8.50%	8.50%	8.50%
Strip Center	34	\$6.91	\$23.33	\$16.70	15.00%	15.00%	15.00%	55.00%	55.00%	55.00%	8.50%	8.50%	8.50%

Commercial reporting data

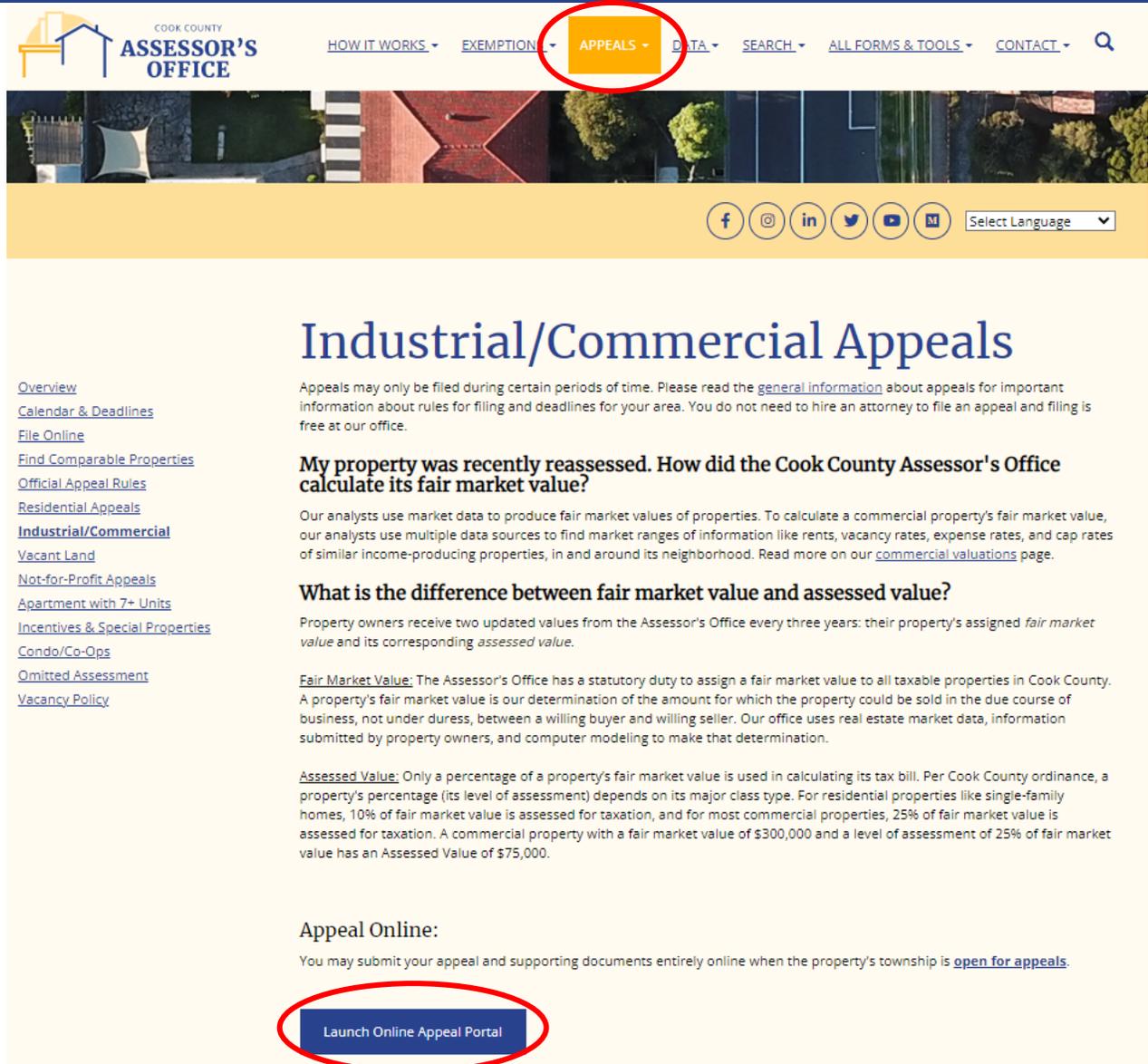
Find inputs for individual properties and more information at cookcountyassessor.com/valuation-reports

Address	Property Use	Age	LandSqft	BldgSqft	Investme	Adj Re	PGI	V/C	Exp	NOI	Cap Rate	Inc MV \$/	Adj Sale C	Final Marke
90 N BARRINGTON SCHAUMBURG	Fast Food	7	62,683	4,668	C	\$ 20.70	\$ 96,628	5.00%	15.00%	\$ 78,027	8.00%	\$ 208.94	\$ 378.00	\$ 293.47
971 W IRVING PARK STREAMWOOD	Fast Food	16	38,269	5,012	C	\$ 20.70	\$ 103,748	5.00%	15.00%	\$ 83,777	8.00%	\$ 208.94	\$ 378.00	\$ 293.47
91 W IRVING PARK STREAMWOOD	Fast Food	3	66,025	5,238	C	\$ 20.70	\$ 108,427	5.00%	15.00%	\$ 87,554	8.00%	\$ 208.94	\$ 378.00	\$ 293.47
225 E LAKE BARTLETT	Fast Food	34	37,181	2,902	C	\$ 23.00	\$ 66,746	5.00%	15.00%	\$ 53,897	8.00%	\$ 232.16	\$ 420.00	\$ 326.08
1102 E IRVING PARK STREAMWOOD	Restaurant	46	39,382	1,886	C	\$ 18.00	\$ 33,948	15.00%	55.00%	\$ 12,985	9.00%	\$ 76.50	\$ 230.00	\$ 153.25
1060 S BARRINGTON STREAMWOOD	Fast Food	19	33,977	2,448	C	\$ 23.00	\$ 56,304	5.00%	15.00%	\$ 45,465	8.00%	\$ 232.16	\$ 420.00	\$ 326.08
630 SUTTON STREAMWOOD	Fast Food	13	51,637	4,380	C	\$ 20.70	\$ 90,666	5.00%	15.00%	\$ 73,213	8.00%	\$ 208.94	\$ 378.00	\$ 293.47
560 S BARTLETT STREAMWOOD	Restaurant	45	14,160	2,500	C	\$ 18.00	\$ 45,000	15.00%	55.00%	\$ 17,213	9.00%	\$ 76.50	\$ 230.00	\$ 153.25
816 E CHICAGO ELGIN	Restaurant	48	27,000	2,290	C	\$ 18.00	\$ 41,220	15.00%	55.00%	\$ 15,767	9.00%	\$ 76.50	\$ 230.00	\$ 153.25
1041 SUTTON STREAMWOOD	Restaurant	16	44,912	6,072	C	\$ 21.38	\$ 129,844	15.00%	55.00%	\$ 49,665	9.00%	\$ 90.88	\$ 273.24	\$ 182.06
2250 N BARRINGTON HOFFMAN ESTATES	Restaurant	32	37,459	4,147	C	\$ 16.20	\$ 67,181	15.00%	55.00%	\$ 25,697	9.00%	\$ 68.85	\$ 207.00	\$ 137.93
2220 N BARRINGTON HOFFMAN ESTATES	Restaurant	31	58,294	5,941	C	\$ 16.20	\$ 96,244	15.00%	55.00%	\$ 36,813	9.00%	\$ 68.85	\$ 207.00	\$ 137.93
50 N BARRINGTON STREAMWOOD	Restaurant	7	51,923	6,181	C	\$ 19.44	\$ 120,159	15.00%	55.00%	\$ 45,961	9.00%	\$ 82.62	\$ 248.40	\$ 165.51
880 S BARRINGTON STREAMWOOD	Restaurant	26	32,148	3,861	C	\$ 27.72	\$ 107,027	15.00%	55.00%	\$ 40,938	9.00%	\$ 117.81	\$ 354.20	\$ 236.01
1156 E IRVING PARK STREAMWOOD	Restaurant	37	36,739	2,639	C	\$ 18.00	\$ 47,502	15.00%	55.00%	\$ 18,170	9.00%	\$ 76.50	\$ 230.00	\$ 153.25
1175 LAKE ELGIN	Restaurant	41	314,676	22,311	C	\$ 14.40	\$ 321,278	15.00%	55.00%	\$ 122,889	9.00%	\$ 61.20	\$ 184.00	\$ 122.60
895 VILLA ELGIN	Restaurant	72	13,200	3,000	C	\$ 9.72	\$ 29,160	15.00%	55.00%	\$ 11,154	9.00%	\$ 41.31	\$ 124.20	\$ 82.76
948 S BARRINGTON STREAMWOOD	Restaurant	29	28,742	7,656	C	\$ 14.58	\$ 111,624	15.00%	55.00%	\$ 42,696	9.00%	\$ 61.97	\$ 186.30	\$ 124.13
1801 IRVING PARK HANOVER PARK	Restaurant	43	13,809	3,493	C	\$ 9.72	\$ 33,952	15.00%	55.00%	\$ 12,987	9.00%	\$ 41.31	\$ 124.20	\$ 82.76
1780 W IRVING PARK HANOVER PARK	Restaurant	50	14,850	1,500	C	\$ 14.40	\$ 21,600	15.00%	55.00%	\$ 8,262	9.00%	\$ 61.20	\$ 184.00	\$ 122.60
533 S BARTLETT STREAMWOOD	Restaurant	45	102,445	3,205	C	\$ 10.80	\$ 34,614	15.00%	55.00%	\$ 13,240	9.00%	\$ 45.90	\$ 138.00	\$ 91.95
1921 IRVING PARK HANOVER PARK	Restaurant	34	21,000	4,570	C	\$ 16.20	\$ 74,034	15.00%	55.00%	\$ 28,318	9.00%	\$ 68.85	\$ 207.00	\$ 137.93
7406 JENSEN HANOVER PARK	Restaurant	50	15,300	3,000	C	\$ 16.20	\$ 48,600	15.00%	55.00%	\$ 18,590	9.00%	\$ 68.85	\$ 207.00	\$ 137.93
915 SUMMIT ELGIN	Restaurant	33	19,855	1,807	C	\$ 18.00	\$ 32,526	15.00%	55.00%	\$ 12,441	9.00%	\$ 76.50	\$ 230.00	\$ 153.25

Preparing for an Appeal

Have basic facts and information available:

- Property PIN and address
- Owner's email address
- RPIE code and PIN
(for Class 3+ Commercial properties only), previously mailed to property owner, or available via email



The screenshot shows the Cook County Assessor's Office website. The navigation menu at the top includes 'HOW IT WORKS', 'EXEMPTIONS', 'APPEALS' (circled in red), 'DATA', 'SEARCH', 'ALL FORMS & TOOLS', and 'CONTACT'. Below the navigation is a banner image of a building. To the right of the banner are social media icons for Facebook, Instagram, LinkedIn, Twitter, YouTube, and Messenger, along with a 'Select Language' dropdown menu.

Industrial/Commercial Appeals

Appeals may only be filed during certain periods of time. Please read the [general information](#) about appeals for important information about rules for filing and deadlines for your area. You do not need to hire an attorney to file an appeal and filing is free at our office.

My property was recently reassessed. How did the Cook County Assessor's Office calculate its fair market value?

Our analysts use market data to produce fair market values of properties. To calculate a commercial property's fair market value, our analysts use multiple data sources to find market ranges of information like rents, vacancy rates, expense rates, and cap rates of similar income-producing properties, in and around its neighborhood. Read more on our [commercial valuations](#) page.

What is the difference between fair market value and assessed value?

Property owners receive two updated values from the Assessor's Office every three years: their property's assigned *fair market value* and its corresponding *assessed value*.

Fair Market Value: The Assessor's Office has a statutory duty to assign a fair market value to all taxable properties in Cook County. A property's fair market value is our determination of the amount for which the property could be sold in the due course of business, not under duress, between a willing buyer and willing seller. Our office uses real estate market data, information submitted by property owners, and computer modeling to make that determination.

Assessed Value: Only a percentage of a property's fair market value is used in calculating its tax bill. Per Cook County ordinance, a property's percentage (its level of assessment) depends on its major class type. For residential properties like single-family homes, 10% of fair market value is assessed for taxation, and for most commercial properties, 25% of fair market value is assessed for taxation. A commercial property with a fair market value of \$300,000 and a level of assessment of 25% of fair market value has an Assessed Value of \$75,000.

Appeal Online:

You may submit your appeal and supporting documents entirely online when the property's township is [open for appeals](#).

[Launch Online Appeal Portal](#)

Preparing for an Appeal - Vacancy

If Appealing for Vacancy –

1. Pictures of vacancy (dated with phone apps, or an affidavit certifying current dates)
 - Show exterior with no tenant, “For Lease” signs in window
 - Show interior is empty, evidence of construction, or the need for construction to gain a tenant
2. If doing construction or remodeling to improve property or to get a tenant:
 - Receipts and paid invoices for construction work
 - Certificate of Occupancy after construction work is completed
3. Code violations that show the unit is uninhabitable or non-usable
4. Utility bills that show higher costs over the vacancy term than the same time in previous years, because the owner is paying for utilities in vacant space.
5. Leases in place for occupied space
6. Leasing contracts with real estate brokers (prior 3 years)
7. Income Tax form Schedule E showing property Income and Expenses – past 3 years.

Preparing for an Appeal - Overvaluation

If appealing for Overvaluation –

- Appraisal report is submitted
- Documentation of a recent sale of the subject property (if applicable)
 - The sale must be an arms-length transaction and the price must be fair and market-oriented

Forms and Documents Needed

1. Appeal Form

- Residential (Class 2 properties)
 - Add comparable property PINs.
 - Correct physical characteristics on second page
- Industrial/Commercial (Class 3+ properties)

2. General Affidavit – *Needs to be Notarized*

- Explanation of why you are appealing, the story or narrative

3. Property Summary Sheet

- Actual Income and Expense totals for past three years
- If applicable: Capitalization Rate (cap rate) estimate, and total square feet occupied
- If applicable: Number of each type of apartment, number of rooms per apartment, low and high rent per apartment type.

Appeal Online:

You may submit your appeal and supporting documents entirely online when the property's township is [open for appeals](#).

[Launch Online Appeal Portal](#)

Real Property Income & Expense

The Real Property Income & Expense (RPIE) statement is required when the subject of an appeal is an income-producing property, in whole or in part, per [the Assessor's Rules for Appeals](#).

[File an RPIE Online](#)

PDF Forms

Note that any data and documentation supporting the appeal must be submitted concurrently with the appeal..

- [Property Summary Sheet](#)
- [Attorney Representative Authorization](#)
- [Appraisal Summary Sheet](#)
- [Owner Occupancy Affidavit](#)
- [Rent Roll - Apartments](#)
- [Rent Roll - Industrial/Commercial](#)
- [Sales Questionnaire](#)
- [Vacancy Affidavit](#)
- [Vacancy Affidavit - 10 or More Stories](#)
- [Demolition Affidavit](#)
- [General Affidavit](#)
- [Field Check Request Letter](#)

Forms and Documents Needed

4. **Owner Lessee Verification form is no longer needed**

5. **Owner Occupancy Affidavit (if applicable) – *Needs to be Notarized***

6. **Field Check Request**

- A field check is required when asking for a class change, square footage error, or demolition.

7. **Vacancy/Occupancy Affidavit – *Needs to be Notarized***

- Input the occupied square footage and the vacant square footage (or residential units) for each month. Sum each column and divide the total vacant square footage by total square footage of the whole building to find the weighted vacancy of the building for the year.
- Upload several photos of vacant space
- Describe all attempts to lease the space. Upload all listing agreements with real estate brokers that have been signed in the last 3 years.
- If applicable: describe why no attempts to lease the space were made.
- Upload actual property income and expense statements for the last three years
- Upload a current year's rent roll (last 12 months). See details in item #8.
- Describe inquiries, showings, and failed leasing efforts.

Forms and Documents Needed

8. Rent Roll – *Needs to be Notarized*

- Residential – List each unit, # rooms,, lease start date and monthly rent.
- Industrial/Commercial – List Unit/Tenant, square feet leased, use, lease start and end date, lease expense structure type, rent per square foot per month, and expense reimbursements per square foot per month.

9. Appraisal and Appraisal Summary Sheet – if applicable

- Actual property operating income and expense totals for prior 3 years.
- Summarize property statistics and value conclusions from the appraisal report.

10. Income and Expense Statements, prior 3 years (*upload for multi-tenant buildings only*)

- Income: List all sources of annual income from the property, by line item (ex. rent, expense reimbursements, parking income, misc. income).
- Expenses: List all expenses by line item (ex. insurance, repair & maintenance, property management fee, common area utilities, common area maintenance, professional services, landscaping & snow removal, property taxes).

Forms and Documents Needed

11. Sales Questionnaire – if property was purchased in the last 5 years

- State and calculate the value of any personal property (items that are non-real estate that came with the property) or business value, that was included in the purchase price of the property.

12. Demolition Affidavit – if applicable

- If the building(s) has or have been demolished and nothing has been re-built on the site, state the date the demolition was completed.

13. Attorney / Representative Authorization Form – if applicable

- If hiring an attorney to represent the owner in the appeal process, the attorney should assist in filling out this form.
- If property purchased or re-financed in the last 3 years, record the purchase price, date of purchase or refinance, and the interest rate and type of rate.