



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

APPELLANT: Bridie Krystof
DOCKET NO.: 09-22641.001-R-1
PARCEL NO.: 14-20-412-031-0000

The parties of record before the Property Tax Appeal Board are Bridie Krystof, the appellant(s), by attorney Patrick J. Cullerton, of Thompson Coburn LLP in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented, 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: \$ 52,073
IMPR.: \$ 165,139
TOTAL: \$ 217,212

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 2009 tax year. The Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject consists of two improvements. Improvement #1 is a three-story multi-family dwelling of masonry construction with 9,084 square feet of living area. Improvement #1 is 101 years old. Features of Improvement #1 include a full unfinished basement. Improvement #2 is a three-story mixed-use building of masonry construction with 6,462 square feet of living area. Improvement #2 is 100 years old. Features of Improvement #2 include a full unfinished basement. The property has a total of

ten apartment units and one commercial unit and is situated on a 6,027 square foot site in Chicago, Lake View Township, Cook County.

Improvement #1 is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance. Improvement #2 is classified as a class 3-13 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends assessment inequity as the basis of the appeal. In support of this argument, the appellant submitted limited information on three equity comparables for Improvement #2. The comparables range in improvement assessment per square foot from \$6.56 to \$7.83 and range in building area from 9,695 to 32,604 square feet. They are located in either Oak Park or Rogers Park townships. No further details regarding the comparables were provided. The appellant did not submit any equity comparables for Improvement #1.

The appellant also contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an income and expense analysis estimating the subject property had a market value of \$1,146,014. The analysis was supported by the appellant's Schedule Es from his 2006 through 2008 income tax returns as well as a rent roll for the property.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$217,212. Improvement #1 has an improvement assessment of \$95,344, or \$10.50 per square foot of building area. Improvement #2 has an improvement assessment of \$69,795, or \$10.80 per square foot of living area. The subject's assessment reflects a market value of \$1,715,735 when applying a blended level of assessment for class 3 and class 2 properties of 12.66%.

In support of its contention of the correct assessment, the board of review submitted information on five comparable sales for Improvement #2.

In rebuttal, the appellant argued that the board of review's evidence should be given no weight because their comparables were unadjusted, investment or leased fee sales.

Conclusion of Law

The taxpayer contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board finds that the appellant submitted three suggested equity comparables for Improvement #2. They varied greatly in location and size from the subject property. No other building characteristics were disclosed by the appellant. As such, the Board is unable to determine their level of comparability to the subject property. Additionally, both parties failed to submit any comparables for Improvement #1. Therefore, based on the evidence contained in this record, the Board finds the appellant did not demonstrate with clear and convincing evidence that either Improvement #1's improvement assessment or Improvement #2's improvement assessment was inequitably assessed.

The appellant also 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 has not met this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant submitted documentation showing the income of the subject property. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Prop. Tax Appeal Bd., 44 Ill.2d 428 (1970), the Illinois Supreme Court stated:

[I]t is clearly the value of the "tract or lot of real property" which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the

property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value". Many factors may prevent a property owner from realizing an income from property that accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes.

Id. at 431.

As the Court stated, actual income and expenses can be useful when shown that they are reflective of the market. Although the appellant made this argument, the appellant did not demonstrate, through an expert in real estate valuation, that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income and expenses one must establish, through the use of market data, the market rent, vacancy and collection losses, and expenses to arrive at a net operating income reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence and, therefore, the Board gives this argument no weight. As the board of review's sale comparables were unverified and unadjusted, they were given no weight in the Board's final analysis as well. Thus, the Board finds that a reduction is not warranted based on the appellant's income analysis.

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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Tracy A. Huff

Member

Mario Morris

Member

J. R.

Member

DISSENTING:

C E R T I F I C A T I O N

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: March 20, 2015

A. Portal

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 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 the subsequent year 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.

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.