



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

APPELLANT: American Management, LLC
DOCKET NO.: 18-44735.001-R-1
PARCEL NO.: 30-30-308-045-0000

The parties of record before the Property Tax Appeal Board are American Management, LLC, the appellant(s), 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: \$ 2,954
IMPR.: \$ 21,046
TOTAL: \$ 24,000

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) after receiving a decision from the Cook County Board of Review. The instant appeal challenges the assessment for tax year 2018. The Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of this appeal.

Findings of Fact

The subject consists of a three-story multi-family dwelling of masonry construction with 5,974 square feet of living area. The dwelling is 46 years old. Features of the home include a slab. The property's site is 8,442 square feet, and it is located in Thornton Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance. The subject is owned by a business entity, and, therefore, it is not owner-occupied.

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 \$240,000 as of January 1, 2018. The cover letter sent with the appraisal states that "This appraisal has been prepared in compliance with . . . the Uniform Standards of Professional Appraisal Practice." Furthermore, the appraisal states that "the subject has not conveyed in the past five-years [sic]."

Based on this evidence, the appellant requested a reduction in the subject's assessment to \$24,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing that the total assessment for the subject is \$28,749. The subject's assessment reflects a market value of \$287,490 when applying the 2018 statutory level of assessment for class 2 property of 10.00% under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment, the board of review submitted information on three equity comparables, and three sale comparables. These sale comparables sold from February 2016 to September 2017 for \$279,000 to \$299,000, or \$47.62 to \$62.29 per square foot of living area, including land. The board of review's evidence also states that the subject was purchased in August 2017 for \$450,000.

The Board sent an Order to all parties pursuant to Section 10-40(c) of the Illinois Administrative Procedure Act (5 ILCS 100/10-40(c)), wherein the Board pronounced its intention to take judicial notice of a "generally recognized technical or scientific fact[] within the [Board]'s specialized knowledge," *id.*, namely 2018-19 Uniform Standards of Professional Appraisal Practice ("USPAP") Standards Rule ("SR") 1-5, which states:

When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

- (a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal; and
- (b) analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal.

The Order granted the parties 21 days to object to the Board taking judicial notice of USPAP SR 1-5.

The appellant timely responded to the Order by submitting a letter from the appraiser. In the letter, the appraiser stated that "we were aware that the transaction was a non-arm's length transaction that took place between two business partners with one buying business stake from the other." The appraiser further clarified that "[w]e acknowledge a minor typographical error in the report whereas we aimed to express, we have not disclosed any << **arm's length** >> transactions within the past three years," [sic] [emphasis in original].

The board of review did not respond to the Order.

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 proven 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 meet this burden of proof, and a reduction in the subject's assessment is warranted.

The Board takes judicial notice of USPAP SR 1-5, which requires appraisers to “analyze **all sales** of the subject property that occurred within the three (3) years prior to the effective date of the appraisal,” [emphasis added]. The term “all sales” includes arm's-length transactions and non-arm's-length transactions. Thus, the appraiser's failure to disclose the sale of the subject in 2017 technically constitutes a USPAP violation, even if the appraiser believes such a transaction was not at arm's-length. While the Board finds the appraisal less credible due to the omission of any mention of the sale of the subject in 2017, the Board finds the income and sales comparison approaches to value are credible. Additionally, the board of review did not provide any evidence regarding the 2017 sale of the subject other than the sale date and sale price, nor did it rebut any portion of the appellant's appraisal. Moreover, the sale comparables in the appraisal and the sale comparables submitted by the board of review do not support the subject's 2017 sale price of \$450,000. For these reasons, the Board finds the best evidence of market value to be the appraisal submitted by the appellant. The subject's assessment reflects a market value above the best evidence of market value in the record. The Board finds the subject property had a market value of \$240,000 as of the assessment date at issue. Therefore, based on this record, 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 warranted. Since market value has been established, the 2018 statutory level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10.00% shall apply.

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: September 19, 2023



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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