



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

APPELLANT: Hugo Brandstetter
DOCKET NO.: 05-25400.001-R-1
PARCEL NO.: 14-33-411-006-0000

The parties of record before the Property Tax Appeal Board are Hugo Brandstetter, the appellant, by attorney David R. Bass, 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 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: \$ 30,591
IMPR: \$ 36,334
TOTAL: \$ 66,925

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a parcel of land improved with a 118-year-old, two-story, masonry, multi-family dwelling with three apartments therein. The building contains 5,091 square feet of living area with six full and three one-half bathrooms, a full basement, and three fireplaces.

The appellant argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant initially submitted two distinct breakdowns of actual income and expenses spanning tax years from 2000 to 2006.

In addition, the appellant submitted an appraisal report of the subject property with an effective date of January 1, 2003 undertaken by Scott C. Baruch, an Associate Real Estate Appraiser, wherein he estimated a market value for the subject of \$685,000.

As to the subject, the appraiser noted that using his dimensional measurements, the subject's land size was 4,303 square feet. As to the subject's area, the appraiser stated that the neighborhood consisted of a mix of residential styles of primarily average quality and condition, while indicating that the area is also experiencing regentrification with poorer quality buildings being razed for new construction and better quality buildings are being rehabbed. While submitting a diagram of the subject's floor plan and living area calculations, the appraiser estimated that the subject's improvement contained 5,091 square feet of living area.

The appraiser developed the three traditional approaches to value. The estimated market value under the cost approach was \$692,100, under the income approach was \$674,500, and under the sales comparison approach was \$685,000.

The first step under the cost approach was to value the site, which the appraiser estimated at \$538,000. Using the Marshall Swift Valuation Cost Service, the appraiser estimated the reproduction cost new of the subject at \$648,375. Deducting total depreciation of \$499,249 and adding site improvements of \$5,000 resulted in a final value under the cost approach of \$692,100.

Under the income approach, the appraiser reviewed three rental comparables. These comparables comprised two-story or three-story, masonry, multi-family dwellings. They ranged in units from two to three apartments and in rental rates from \$800.00 to \$1,950.00 per unit. He estimated the subject's gross income at \$42,600, annually. Deducting a vacancy and collection loss of 67% resulted in an effective gross income of \$28,542. Using a gross rent multiplier of 190 resulted in a final value under the income approach of \$674,500.

Under the sales comparison approach to value, the appraiser utilized three sales comparables. These comparables sold from March, 2002, through August, 2002, for prices that ranged from \$654,000 to \$730,000, or from \$200.00 to \$216.27 per square foot. The properties were improved with a masonry, multi-family dwelling with three apartments. They ranged in age from 100 to 112 years and in size from 3,024 to 3,630 square feet of living area. After making adjustments to the suggested comparables, the appraiser estimated the subject's market value was \$685,000, rounded.

In reconciling the three approaches to value, the appellant's appraiser indicated that most reliance was placed on the sales comparison approach to value; thereby, reflecting a final market value of \$685,000 for the subject property.

At hearing, the appellant's attorney asserted that a reduced assessment should be accorded the subject property for the 2005 tax year, which is the third year of the subject's triennial reassessment period. He argued that the Board rendered decisions in the subject's prior two triennial years, 2003 and 2004,

granting reduced assessments based upon similarly submitted evidence by the appellant. In support of this argument, the appellant submitted Appellant's Hearing Exhibit #1 without objection by the board of review's representative. This Exhibit contained a copy of Cook County Property Tax and Payment Information printouts as well as copies of Board decisions in tax years 2003 and 2004. The attorney indicated that he obtained the initial printouts from the County Treasurer's Office website and he asserted that the subject property was owner-occupied because there is an affirmative response to the category entitled homeowner exemption received for tax year 2008.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$106,348 for tax year 2005. The subject's assessment reflects a market value of \$1,088,516 using the Illinois Department of Revenue's median level of assessment for Class 2, residential property of 9.77%. As to the subject, the board submitted copies of the subject's property characteristic printouts.

In addition, the board of review submitted descriptive and assessment data on four suggested comparables. The properties were improved with a three-story, masonry, multi-family dwelling. They ranged: in age from 110 to 121 years; in size from 4,680 to 5,912 square feet of living area; and in improvement assessments from \$13.62 to \$17.07 per square foot. Amenities included a full basement and a multi-car garage. As a result of its analysis, the board requested confirmation of the subject's assessment.

After considering the arguments and reviewing the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

When overvaluation is claimed the appellant has the burden of proving the value of the property by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd Dist. 2000). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Admin.Code 1910.65(c). Having considered the evidence presented, the Board concludes that the appellant has met this burden and that a reduction is warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the three traditional approaches to value in estimating the subject's market value with most reliance on the sales comparison approach to value. The Board further finds this appraisal to be persuasive for the appraiser personally inspected the subject property and utilized market data in all three approaches, while in the sales

comparison approach he provided sufficient detail regarding each sale as well as adjustments where necessary.

Moreover, the Board finds that the board of review failed to proffer any market data to support the subject's assessment.

Therefore, the Board finds that the subject property contained a market value of \$685,000 for tax year 2005. Since the market value of the subject has been established, the Illinois Department of Revenue's median level of assessment for Class 2, residential property of 9.77% will apply. In applying this level of assessment to the subject, the total assessed value is \$66,925, while the subject's current total assessed value is above this amount at \$106,348. Therefore, the Board finds that a reduction is warranted.

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

Frank J. Huff

Member

Member

Mario M. Louie

Shawn R. Lerbis

Member

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: June 24, 2011

Allen Castrovillari

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.