PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Michael Neben
DOCKET NO.: 04-20432.001-R-1, 05-20010.001-R-1, and 06-20598.001-R-1
PARCEL NO.: 01-22-302-019

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are Michael Neben, the appellant, by Attorney David C. Duncan of Arnstein & Lehr LLP in Chicago; and the Cook County Board of Review.

The subject property contains a 59,721 square foot parcel improved with a 10-year old, two-story, masonry dwelling of average condition. The building includes amenities such as a full, unfinished basement, three fireplaces and a four-car garage.

As a procedural matter, the PTAB finds that these appeals are within the same assessment triennial, involve common issues of law and fact and a consolidation of the appeals would not prejudice the rights of the parties. Therefore, under the *Official Rules of the Property Tax Appeal Board, Section 1910.78*, the PTAB hereby consolidates the above appeals.

As to the merits of this appeal, the appellant argued that the fair market value of the subject is not accurately reflected in its assessed value as the basis for this appeal. Further, the pleadings reflect an ancillary issue, specifically, the size of the subject's improvement.

Within tax year 2005 and 2006, the appellant's attorney submitted a motion to strike the board of review's evidence as being unresponsive to the appellant's market value argument. The PTAB hereby denies the appellant's motion to strike the board's evidence.

The appellant's pleadings for tax years 2004 through 2006 include a uniform residential appraisal report conducted by William C. Brecka of Steve Stratakos & Associates. This appraiser holds the designation of Member of the Appraisal Institute (hereinafter MAI

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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: See Page 4
IMPR.: See Page 4
TOTAL: See Page 4

Subject only to the State multiplier as applicable.

PTAB/KPP

designation). This appraisal reflects an effective date of July 13, 2002 and a market value opinion of $925,000 for the subject property. The appraisal states that Brecka undertook an interior and exterior inspection of the subject as well as an exterior inspection of the suggested comparables. Page #2 of the appraisal reflects a detailed description of the subject's site which comprises 1.02 acres of land. The subject property is improved with a two-story, masonry, single-family dwelling with 5,632 square feet. This is supported by two pages within the appraisal that include a building schematic for each floor of the subject's improvement as well as a subsequent page depicting sketch calculations. Brecka stated that the building had an actual and effective age of 10 years and was in very good condition.

The Brecka appraisal addressed two of the three traditional approaches to value in developing the subject's market value estimate. The cost approach reflected a value of $910,922 and the sales comparison approach indicated a value of $925,000. In reconciling these two approaches to value, Brecka placed main reliance on the sales comparison approach to reflect his final value of $925,000 for the subject.

The first method developed was the cost approach. The initial step under the cost approach was to estimate the value of the site at $300,000. Using the Marshall Valuation Service cost manuals and local builder's estimates of construction costs, Brecka estimated a replacement cost new of the improvements at $664,500. After inspecting the subject property, Brecka estimated physical depreciation at $88,578 resulting in a depreciated value of the improvements at $575,922. Brecka indicated that the improvements were of a high quality and that there was neither functional nor external obsolescence observed. The value of the other site improvements including the subject's patio totaled $35,000 indicating a market value estimate under the cost approach of $910,922.

Under the sales comparison approach to value, Brecka utilized three suggested comparables that are single-family dwellings located within the subject's neighborhood. The properties sold from April, 2002, through June, 2002, for prices that ranged from $830,000 to $990,000, or from $202.04 to $212.82 per square foot. The properties' sites range in size from 1.3 acres to 1.7 acres. They are improved with a two-story dwelling in good condition. The improvements range: in age from 5 to 16 years; in baths from three full and one half-bath to four full and one half-baths; and in size from 3,900 to 4,900 square feet of living area. Amenities include two to four fireplaces and a three-car or four-car garage. Adjusted sale prices range from $883,600 to $994,600. Under this approach to value, Brecka estimated the subject's market value to be $925,000. In reconciliation, Brecka opined that the subject contained a market value of $925,000 as of the effective date of July 13, 2002.

As to the appellant's ancillary issue of improvement size, the appellant's appraisal reflects an improvement size of 5,632 square feet of living area as well as the supporting documentation outlined previously. In contrast, the board of review's Notes on Appeal reflect an improvement size of 6,081 square feet of living area without further explanation including the absence of the subject's property record card. Based on this evidence, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment was disclosed as $111,312 for tax years 2004 through 2006. Rather than address the appellant's market value argument, the board of review submitted descriptions and assessment information on a total of nine comparable properties within the 2004 through 2006 evidence.

These properties are improved with a two-story dwelling of masonry exterior construction. One improvement was identified as accorded an above average condition, while another property was accorded a deluxe condition without further explanation. The remaining properties were accorded an average condition, as is the subject property. The comparables range: in baths from three to six; in age from 9 to 16 years; in size from 5,326 to 6,222 square feet of living area; and in improvement assessments from $14.88 to $18.21 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After reviewing the record and considering 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. *86 Ill.Admin.Code 1910.63(e).* 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 PTAB finds that the appellant has met the burden of demonstrating that the subject is overvalued and that a reduction is warranted.

The PTAB finds that the best evidence of market value was the appellant's appraisal. The appraisal was accorded most weight in determining the subject's market value for: the analysis was conducted by an appraiser with the MAI designation; the appraiser undertook two of the three traditional approaches to value in estimating a value opinion for the subject; the appraiser personally inspected the interior and exterior of the subject; the appraiser inspected the exterior of the comparables; and the appraiser choose appropriate market data and methodology in completing the two approaches to value.

Further, the PTAB finds that the board of review failed to proffer market value evidence in support of the subject's current valuation.

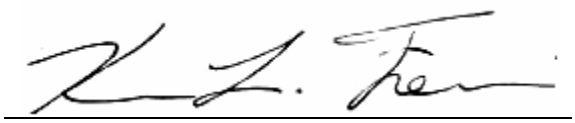
As to the improvement size, the PTAB finds that the appellant's appraiser is the best evidence of the improvement's size; therefore, the subject's improvement contains 5,632 square feet of living area.

On the basis of this analysis, the PTAB finds that the subject had a fair market value of $925,000 as of the 2004 through 2006 tax years at issue. Since fair market value has been established, the three year weighted median level of assessment for Cook County class 2 property of 9.99% for tax year 2004 shall apply to the entire triennial reassessment period for this subject property for tax years 2004 through 2006.

DOCKET #	PIN	LAND	IMPROVEMENT	TOTAL
04-20432.001-R-1	01-22-302-019	$21,499	$70,909	$92,408
05-20010.001-R-1	01-22-302-019	$21,499	$70,909	$92,408
06-20598.001-R-1	01-22-302-019	$21,499	$70,909	$92,408

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.

Chairman



Member

Member

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: December 19, 2008

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.