



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

APPELLANT: George Callas  
DOCKET NO.: 06-23028.001-R-1  
PARCEL NO.: 14-08-106-011-0000

The parties of record before the Property Tax Appeal Board are George Callas, the appellant, by attorney Scott Shudnow of Shudnow & Shudnow, Ltd. 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:** \$ 18,420  
**IMPR.:** \$ 7,892  
**TOTAL:** \$ 26,312

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property is improved with a two-story, mixed-use and multi-family building of masonry construction containing 7,000 square feet of building area. The building is 110 years old. Features include six apartment units, two commercial units, and a partial unfinished basement. The subject has a classification code of 2-12 under the Cook County Real Property Assessment Classification Ordinance, and it is located in Chicago, Lake View Township, Cook County.

The appellant submitted evidence before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of the overvaluation argument, the appellant submitted an appraisal report in which a market value of \$260,000 was estimated for the subject property as of January 1, 2006. The appraiser developed all three approaches to value but gave primary emphasis to the income approach for estimating the market value of the subject property. Using the cost approach, the appraiser estimated a market value of \$270,000. Under the sales comparison approach, the appraiser estimated a market value of \$280,000. The appraiser developed the income approach and estimated the subject had a market value of \$260,000. The appraiser's methodology for developing the income approach involved first looking at income from five comparable rental

properties in order to estimate the subject's potential gross income.<sup>1</sup> The appraiser then looked at rental properties in the surrounding area and developed a vacancy and collection loss factor to arrive at an estimated effective gross income for the subject. The appraiser then analyzed the subject's income and expenses for 2003 through 2005 to determine the subject's typical expenses. According to the appraiser, the subject had total effective gross income of \$55,776 and allowable expenses of \$19,417. The appraiser determined the subject's stabilized net operating income was \$36,351. The appraiser used a 14.0% capitalization rate, which included an effective tax rate of 3.882%, to arrive at an indicated market value of \$259,650 (rounded to \$260,000). In the brief, the appellant's counsel requested that the three-year median level of assessments on class 2 property of 9.77% in Cook County be applied to the appraiser's finding of market value and that the subject's total assessment be reduced to \$25,402.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$48,007 was disclosed. The subject's assessment reflects a market value of \$474,377 or \$67.77 per square foot of living area, land included, using the 2006 three-year median level of assessments for Cook County Real Property Assessment Classification Ordinance Class 2 property of 10.12% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code 1910.59(c)(2)).

The board of review presented no market value evidence. Instead, the board of review presented descriptions and assessment information on three comparable properties consisting of two-story masonry mixed-use and multi-family buildings. The comparables have the same assigned neighborhood and classification codes as the subject. The buildings are either 95 or 97 years old, and they range in size from 3,185 to 5,942 square feet of living area. Two buildings have two apartment units, one commercial unit, and a partial unfinished basement. One building has four apartment units, two commercial units, and a crawl-space foundation. These properties have improvement assessments ranging from \$24,017 to \$41,986 or from \$7.07 to \$8.17 per square foot of building area. The subject property has an improvement assessment of \$29,587 or \$4.23 per square foot of building area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant's attorney noted that the board of review had not submitted any market value evidence.

After reviewing the record and considering the evidence, the Board finds it has jurisdiction over the parties and the subject matter of the appeal. The Board further finds the evidence in the record supports a reduction in the subject's assessment.

---

<sup>1</sup> Information on two of these comparable rental properties was excluded from the appraisal. Pages 71 and 73 were missing from the copy of the appraisal submitted by the appellant.

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 proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002). Proof of market value may consist of an appraisal of the subject property, a recent sale of the subject property or comparable sales. (86 Ill.Admin.Code 1910.65(c)). After an analysis of the evidence in the record, the Board finds a reduction in the subject's assessment is warranted.

The Board finds the appellant's appraisal report is the best evidence of the subject's market value as of the January 1, 2006 assessment date. The appraiser estimated a market value of \$260,000 for the subject property as of January 1, 2006. The subject's assessment reflects a market value of \$474,377 and is in excess of the market value estimate contained in the appraisal report. The board of review submitted three equity comparables but did not address or refute the overvaluation argument. Based on this record, the Board finds the subject has a market value of \$260,000 as of January 1, 2006, and the 2006 three-year median level of assessments for Cook County Real Property Assessment Classification Ordinance Class 2 property of 10.12% as determined by the Illinois Department of Revenue shall apply. (86 Ill.Admin.Code 1910.59(c)(2)).

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

*Frank A. Huff*

Member

*Mario Morris*

Member

*Shawn R. Lerbis*

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: May 20, 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.