



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

APPELLANT: 6214 N Winthrop LLC  
DOCKET NO.: 06-25412.001-C-1 through 06-25412.002-C-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are 6214 N Winthrop LLC, the appellant, by attorney James A. Field, of Field and Goldberg, LLC 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
06-25412.001-C-1	14-05-204-021-0000	17,280	677	\$17,957
06-25412.002-C-1	14-05-204-022-0000	25,920	316,944	\$342,864

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property is improved with a 38-year old, seven-story, residential building containing 47,929 square feet of living area as well as 90 subsidized apartment units.

The appellant, via counsel, argued both that the market value of the subject property is not accurately reflected in the property's assessed valuation and that there was unequal treatment in the assessment process of the improvement as the bases of this appeal.

The Board found that the tax appeal years 2006 and 2007 involve common issues of law and fact and a consolidation of the appeals for hearing purposes would not prejudice the rights of the parties. Therefore, without objections from the parties and pursuant to Section 1910.78 of the official rules of the Property Tax Appeal Board (86 Ill.Admin.Code 1910.78), the Board consolidated the 2006 and 2007 property tax appeals for hearing purposes, solely.

In support of the market value argument, the appellant's brief reflected that the subject was purchased on May 11, 2006, for a price of \$4,286,500.

Moreover, the appellant's attorney developed an actual income and expense analysis. Copies of income and expense statements were submitted for tax years 2004 and 2005. The attorney estimated a gross income of \$541,549 for tax year 2004 and \$495,373 for tax year 2005, operating expenses ranging from \$324,929 to \$297,224, and a net income ranging from \$216,620 to \$198,149. He then indicated a capitalization rate of 12.61% and applied this rate to estimate a value for the subject of \$1,644,607.

In support of the equity argument, the appellant submitted two analysis grids reflecting a total of nine suggested comparables all of which were identified as Class 9 incentive properties. This is supported by the property characteristics printouts submitted into evidence for only the three properties on the first grid. The second grid identifies limited data, such as: parcel number, number of units, total assessed value and market value per unit without any supporting documents. This data reflects that these properties are improved with buildings that range in units from 42 to 236. These properties range in market value per unit from \$15,469 to \$25,233 per unit, while the subject contains a market value per unit of \$25,057.

As to the three properties identified on the first grid and located within a one-mile radius from the subject, they are improved with a six-story or seven-story, masonry, residential building. They ranged: in age from 77 to 80 years; in number of units from 61 to 67 apartments; and in improvement assessments from \$1.59 to \$4.95 per square foot of living area. The subject's improvement assessment is \$6.61 per square foot of living area. The data did not disclose whether these building's units were residential or commercial. Based on this evidence, the appellant requested a reduction in the subject's assessment.

At hearing, the appellant's attorney indicated that market data was not used in the development of the income and expense analysis. Further, he asserted that the subject's sale was not an arm's length transaction because the purchaser paid a premium in order to obtain IRS tax credits as well as the benefit of a class 9 incentive designation.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment of \$360,821 was disclosed. The total assessment reflects a fair market value of \$2,255,131 or \$47.05 per square foot and \$25,057 per unit when using the Cook County Ordinance level of assessment for tax year 2006 for class 9 properties, as is the subject.

As to the market value argument, the board of review submitted documents relating to the subject's sale. Copies of: the recording document from the County Recorder of Deeds office; a trustee's deed; the Illinois Department of Revenue(hereinafter

IDOR) PTAX-203 and the IDOR PTAX-203A were submitted. These documents reflect that the subject sold on April 26, 2006 for a price of \$4,386,500, but that personal property in the amount of \$100,000 was deducted from the sale resulting in a real estate value of \$4,286,500. The documents reflect that the property had been advertised on the open market and that the parties believed that the net consideration for the real property was a fair reflection of the market value as of the sale date. Further, the Board noted that the seller was identified as Winthrop Partners Limited Partnership, while the buyer was identified as 6214 N. Winthrop LLC.

At hearing, the appellant's attorney stated that he had no knowledge of whether the parties to the subject's sale transaction were related.

In support of the assessment, the board submitted unadjusted sales data on seven properties suggested as comparable to the subject. The data in its entirety reflects that the properties are improved with multi-story, masonry buildings that are identified as apartment units-subsidized or apartment units-senior. These properties range in age from 23 to 74 years and in number of apartments from 49 to 100 units. Four of the seven properties range in building size from 35,450 to 143,100 square feet of living area. They sold from April, 2001, to August, 2005, for prices that ranged from \$25,160 to \$115,336 per unit.

Moreover, the board of review's cover memorandum stated that the data was not intended to be an appraisal or an estimate of value and should not be construed as such. The memorandum indicated that the information provided therein had been collected from various sources that were assumed to be factual and reliable; however, it further indicated that the writer hereto had not verified the information or sources and did not warrant its accuracy. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, the board's representative testified that the county does not believe that a premium was paid for the subject property because the class 9 incentive designation was already accorded to the subject property prior to its sale in 2006. He asserted that there was no information provided to indicate whether the parties to the subject's sale transaction were related. He also argued that there was an age disparity in comparing the appellant's initial 3 suggested comparables to the subject, while there was no age data submitted regarding the remaining equity comparables submitted by the appellant.

After considering the arguments and reviewing the record, 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, 331Ill.App.3d 1038 (3<sup>rd</sup> Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2<sup>nd</sup> 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 evidence indicates a reduction based on market value is not warranted.

The appellant submitted documentation showing the actual income and expenses of the subject property. The PTAB gives the appellant's argument little weight. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

[I]t is 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.

Actual expenses and income can be useful when shown that they are reflective of the market. Although the appellant's attorney 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, 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.

Further, the Board finds unpersuasive the appellant's overvaluation argument. The appellant's six market value comparables reflect a range from \$15,469 to \$25,233 per unit value, while the subject contains a market value of \$25,057 per unit which is within the range of the appellant's comparables. This value is further supported by the unadjusted sales data submitted by the board of review. Those seven properties reflect a market value range of \$25,160 to \$115,336 per unit wherein the subject is below the unadjusted range of values. Therefore, the Board gives this argument no weight.

Further, the Board finds that the subject's sale in April, 2006, supports the current market value and that a reduction is not warranted.

Appellants who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 544 N.E.2d 762 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. Proof of assessment inequity should include assessment data and documentation establishing the physical, locational, and jurisdictional similarities of the suggested comparables to the subject property. Property Tax Appeal Board Rule 1910.65(b). Mathematical equality in the assessment process is not required. A practical uniformity, rather than an absolute one is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395, 169 N.E.2d 769 (1960). Having considered the evidence presented, the Board concludes that the appellant has not met this burden and that a reduction is not warranted.

The Board finds that the appellant submitted insufficient data on six of the nine suggested comparables inhibiting a proper equity analysis. The data was absent some descriptive data including but not limited to building age as well as locational and full assessment data. In addition, the Board finds that the remaining three properties from the appellant's first grid were accorded diminished weight due to a disparity in location, building age and number of units, which accounts for the variance in assessment between these three comparables and the subject. These improvement assessments ranged from \$1.59 to \$4.95 per square foot of living area, while the subject's improvement assessment is \$6.61 per square foot. However, after making adjustments for the aforementioned differences including location, building age and number of units, the Board finds that these properties support the subject's current assessment. Thereby, the Board finds that no reduction is warranted to the subject property.

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

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 21, 2013

*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.