



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

APPELLANT: John Trumbulovic  
DOCKET NO.: 06-29190.001-C-1  
PARCEL NO.: 16-24-207-008-0000

The parties of record before the Property Tax Appeal Board are John Trumbulovic, the appellant; 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:

**LAND:** \$ 7,920  
**IMPR.:** \$ 96,695  
**TOTAL:** \$ 104,615

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property consists of a 6,000 square foot land parcel improved with an 82-year old, three-story, masonry, multi-family dwelling. The improvement contains 12 apartment units and 10,908 square feet of living area.

The appellant raised the following arguments: first, that the market value of the subject property is not accurately reflected in the property's assessed valuation; and second, that there was unequal treatment in the assessment process as the bases of this appeal.

In support of the market value argument, the appellant submitted correspondence and a copy of the subject's actual rent roll reflecting a vacancy of 42.41% for tax year 2007. However, the appellant testified that the tenants varied from 2006 to 2007. In addition, he stated that as of the assessment date of January

1, 2006, eight out of the subject's 12 apartment units were occupied.

He also testified that there is a high vacancy problem within the subject's depressed area, which causes difficulty in obtaining and retaining tenants. He indicated that 12 out of 16 buildings in the subject's area are vacant and boarded up, while submitting photographs of these buildings as support for this assertion. Moreover, he testified at length regarding the condition of the buildings in these photographs, which accurately depicts the subject's area as of the assessment date at issue. The appellant also stated that the subject suffered from porch violations and that needed repairs totaled approximately \$29,000.

In support of the equity argument, the appellant submitted copies of descriptive and assessment data for three suggested comparables located within an eight-block radius of the subject. The appellant was accorded 21 days from the hearing date to submit size data for properties #2 and #3. These documents were timely received and marked for the record as Appellant's Hearing Exhibit #1. The three properties were improved with a three-story, masonry, multi-family dwelling. They ranged: in age from 83 to 85 years; in size from 11,584 to 20,952 square feet of living area; in units from 10 to 30 apartments; and in improvement assessments from \$6.56 to \$9.77 per square foot. As to the equity comparables, the appellant testified that the data was obtained from the assessor's database website. Based upon this analysis, the appellant requested a reduction in the subject's assessment.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$104,615. The board of review submitted a memorandum, photographs of the subject property, the subject's property record card, and six suggested sales comparables. The board of review's memorandum asserted that the subject sold on January 17, 2005 for a price of \$560,000 or \$51.33 per square foot. Further, the board submitted unadjusted, raw sales data on six properties. These sale properties indicated an unadjusted value range from \$38.07 to \$94.27 per square foot. Beyond this submission, the board of review failed to proffer equity evidence in support of the subject's current assessment.

As to the application of vacancy rates by the county, the board of review's representative testified that vacancy factors are applied to certain distressed areas based upon market values. Therefore, he asserted that vacancy relief had been granted to the subject property, but that he had no written evidence to support this assertion. Beyond this, the representative had no further personal knowledge of whether vacancy relief had been applied to this subject property. As a result of its analysis, the board requested confirmation of the subject's assessment.

In rebuttal, the appellant stated that the subject's purchase in January of 2005 occurred when the real estate market was at its high point; and therefore, the sale is not truly reflective of the subject's current assessment.

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

The appellant contends unequal treatment in the subject's improvement assessment as the basis of the appeal. Taxpayers 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 (1989). After an analysis of the assessment data, the Board finds the appellant has not met this burden.

The Board finds that comparables submitted by the appellant are most similar to the subject; therefore, these comparables were accorded most weight in the Board's analysis. These three comparables range in improvement assessments from \$6.56 to \$9.77 per square foot of living area. The subject's improvement assessment is \$9.45 per square foot, which falls within the range established by the appellant's comparables. Therefore, a reduction in the subject's improvement assessment is not warranted.

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 (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 is not warranted.

In determining the fair market value of the subject property, the Board accorded appropriate weight to the subject's recent purchase. The Board finds that this sale supported the subject's current assessment.

Further, the Board finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

It is the value of the "tract or lot of real property" 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, which 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." Springfield Marine Bank v. Property Tax Appeal Board 44 Ill.2d 428 at 430-431.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate that the subject's actual income and expenses were reflective of the market. To demonstrate or estimate the subject's market value using an income approach, as the appellant attempted, 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. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant failed to follow this procedure in developing the income approach to value; therefore, the Board gives this argument no weight.

As a result of this analysis, the Board finds the appellant has not adequately demonstrated that the subject dwelling was inequitably assessed by clear and convincing evidence and a reduction is not 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

*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: December 23, 2009

*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.