



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

APPELLANT: Maxine Kroll
DOCKET NO.: 06-30818.001-R-1
PARCEL NO.: 17-10-104-012-0000

The parties of record before the Property Tax Appeal Board are Maxine Kroll, the appellant, by attorney Glenn S. Guttman of Rieff Schramm & Kanter 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: \$ 29,626
IMPR.: \$ 117,574
TOTAL: \$ 147,200

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a masonry building that is part two-story and part three-story. The original part of the building is 94 years old, and it has an addition that is seven-years old. The first two floors have retail space, and the third floor has a three-bedroom apartment that is occupied by the appellant. The subject property has a classification code of 2-12 under the Cook County Real Property Assessment Classified Ordinance, and it is located at 712 North Rush Street, Chicago, North Chicago 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 of the subject property. In the appraisal, the appraiser described the subject as a 94-year old building with an addition that is seven-years old. The building is part two-story and part three-story with masonry exterior construction. The building is mixed-use with retail space on the first and second floors and a three-bedroom apartment on the third floor which is occupied by the appellant. According to the appraiser, the building has a full finished basement that is partially above grade. The appraiser supplied photographic evidence to support his description of the subject property.

The appraiser estimated the subject property had a market value of \$920,000 as of January 1, 2006. The appraiser developed all three approaches to value but gave dual emphasis to the income approach and the sales comparison approach for estimating the market value of the subject property. Using the cost approach, the appraiser estimated a market value of \$950,000. In order to develop the income approach, the appraiser looked to the market to establish the subject's potential gross income, vacancy and collection losses, and typical expenses. The appraiser estimated the subject had potential net income of \$106,707. The appraiser then developed a capitalization rate of 11.61%, which included an effective tax rate of 2.61%, to arrive at an indicated market value of \$919,096, which was then rounded up to \$920,000.

Under the sales comparison approach, the appraiser considered five comparable properties that sold from March 2003 to October 2006 for prices that ranged from \$415,000 to \$1,640,000. The comparable properties are improved with two, three, and four-story masonry buildings that range in age from 65 to 133 years old. The comparable properties range in size from 6,250 to 18,740 square feet. On a square foot basis, their sale prices ranged from \$56.35 to \$87.51. Under the sale comparison approach, the appraiser estimated that the subject's market value was \$920,000. There were two components to this figure: \$85 per square foot for the 9,505 square feet above grade or \$807,925 and \$37.40 per square foot for the 3,005 square feet of full finished basement area or \$112.387. Since both the income and the sales comparison approaches indicated the same market value, the appraiser gave his final opinion that the subject property had a market value of \$920,000 as of January 1, 2006. Based on the appraisal, the appellant's counsel requested that the subject's total assessment be reduced to \$147,200.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$241,233 was disclosed. The subject's assessment reflects a market value of \$2,383,725 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 described the subject property as two improvements situated on one parcel. According to the board of review, building #1 is a three-story mixed-use and multi-family building of masonry construction containing 6,403 square feet of living area. Building #1 is seven years old, and it has four apartment units, a commercial unit, a full unfinished basement, central air conditioning, and a two-car detached garage. Building #2 is a three-story mixed-use and multi-family building of masonry construction also containing 6,403 square feet of living area. Building #2 is 91 years old, and it has four apartment units, a commercial unit, a full unfinished basement, central air conditioning, and a two-car detached garage. The

board of review submitted property characteristic sheets for both buildings.

The board of review did not submit any market value evidence. Instead, the board of review presented descriptions and assessment information on four comparable properties for building #1 and four comparable properties for building #2. One of the properties was used as a comparable for both buildings. The comparable properties for building #1 consist of two or three-story masonry mixed-use and multi-family dwellings that range in age from 86 to 125 years old. The comparables have the same assigned neighborhood and classification codes as the subject. The dwellings range in size from 6,000 to 8,064 square feet of living area. These properties have improvement assessments ranging from \$109,566 to \$151,023 or from \$17.56 to \$18.73 per square foot of living area. The comparables for building #2 consist of two or three-story masonry mixed-use and multi-family dwellings that range in age from 111 to 125 years old. The comparables have the same assigned neighborhood and classification codes as the subject. The dwellings range in size from 6,000 to 7,209 square feet of living area. These properties have improvement assessments ranging from \$106,763 to \$132,456 or from \$18.26 to \$18.87 per square foot of living area.

According to the board of review, building #1 has an improvement assessment of \$106,360 or \$16.61 per square foot of living area, and building #2 has an improvement assessment of \$105,247 or \$16.44 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 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.

The appellant's appraiser described the subject property as part two-story and part three-story with retail space on the first two floors and an owner-occupied apartment on the third floor. The appellant has provided an appraisal that included photographic evidence. The board of review has described the subject property as two separate buildings with each building having the same square footage, number of apartments and commercial units, and features. In support of this claim, the board of review produced the subject's property characteristic sheets. The Board finds that the appellant has produced the best evidence as to establishing the subject's size and features.

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 (3rd 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 \$920,000 for the subject property as of January 1, 2006. The subject's assessment reflects a market value of \$2,383,725 and is in excess of the market value estimate contained in the appraisal report. The board of review submitted seven 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 \$920,000 as of January 1, 2006. In his brief, the appellant's attorney requested that the subject's total assessment be reduced to \$147,200. Consequently, the Board finds the subject has a market value of \$920,000, and its total assessment is reduced to \$147,200.

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. Loras

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: 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.