



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

APPELLANT: Miroslaw Podolej
DOCKET NO.: 07-22919.001-R-1
PARCEL NO.: 09-26-312-012-0000

The parties of record before the Property Tax Appeal Board are Miroslaw Podolej, 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 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: \$ 8,000
IMPR.: \$ 54,120
TOTAL: \$ 62,120

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 6,250 square foot parcel of land improved with a three-year old, two-story, masonry, single-family dwelling. The improvement contains 2,775 square feet of living area. Amenities include two and one half-baths, four bedrooms, a full, unfinished basement, central air conditioning, one fireplace and a detached two-car garage.

The appellant, via counsel, submitted evidence before the Property Tax Appeal Board claiming that the subject's market value is not accurately reflected in its assessment as the basis of this appeal.

In support of the market value argument, the appellant submitted an appraisal undertaken by Dione N. Spiteri of DNS & Associates. The report indicates Spiteri holds the designation of a State of Illinois certified residential real estate appraiser. The appraiser inspected the exterior of the subject and indicated the subject has an estimated market value of \$500,000 as of January 1, 2007. The appraisal report utilized two of the three

traditional approaches to value to estimate the market value for the subject property.

Under the cost approach to value, the appraiser estimated the value of the site to be \$225,000. She then valued the improvements at \$334,377 using data from recent new construction appraisals and modified it per her judgment. Depreciation, using the age/life method, was estimated to be \$2,787 was then deducted to arrive at a cost of \$331,590. With the value of the land added, the appraiser estimated the value of the subject under this approach at \$556,590. Although the subject was recently constructed, no actual land or construction costs were discussed.

Under the sales comparison approach, the appraiser analyzed the sales of three properties located within several miles from the subject in Park Ridge. The comparables are two-story, residential single-family dwellings of masonry, frame and masonry, or cedar and masonry construction. Amenities include four or five bedrooms, two and one half or three and one half-baths, a full or partial finished basement, one fireplace, central air conditioning, and a two-car garage. The suggested comparable properties range in age from 14 to 54 years, in improvement size from 2,812 to 3,672 square feet, and sold from September 2005 to March 2006 for prices ranging from \$499,000 to \$600,000, or from \$158.63 to \$213.37 per square foot of living area, including land. The appraiser adjusted each of the comparables for pertinent factors. Based on the similarities and differences of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$500,000.

In reconciling the two approaches to value, the appraisal gave primary consideration to the sales comparison approach to value, noting that the cost approach does not yield credible results. Additionally, it was noted that personal property was excluded from the determination of value in the report. The appraiser then arrived at a final estimate of value for the subject as of January 1, 2007 of \$500,000.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$62,120. This assessment reflects a total market value of \$618,725 or \$222.96 per square foot based upon the application of the Illinois Department of Revenue's three-year median level of assessment for tax year 2007 of 10.04% for Class 2 property, as is the subject.

The board of review submitted descriptive and assessment data, as well as black and white photographs, relating to four suggested comparables. They are all located within the subject's neighborhood, one of which is located within a one-quarter mile radius of the subject property. The properties are improved with a two-story, masonry, single-family dwelling. They range: in age from three to seven years; in size from 2,444 to 2,786 square feet of living area; and in improvement assessment from \$20.74 to \$27.45 per square foot. The subject's improvement assessment is

\$19.50 per square foot of living area. Amenities for the comparable properties include two and one half-baths, three or four bedrooms, a full or partial, finished or unfinished basement, one fireplace for three properties, central air conditioning, and a one and one-half to two and one-half car garage.

The board of review evidenced the sales of comparables #1 and #3 in April 2005 and October 2004 for \$759,000 and \$782,300, or \$310.56 and \$280.80 per square foot, including land, respectively. Additionally, they noted the subject property's sale in June 2004 for \$347,000 and attached the appellant's settlement statement reflecting this purchase. Additional evidence included the City of Park Ridge's demolition permit, indicating the existing structure was demolished on November 17, 2004, as well as the occupancy permit issued on November 15, 2005. The board also attached the appellant's construction contract from Thunder Construction, Inc, indicating that the total costs for construction were \$228,500. As the appellant has an interest in Thunder Construction, an additional 20% was added to this total as soft costs and labor, indicating a total cost for construction of \$274,200. Adding in the land value, this indicates the total fair market value of the subject property to be \$621,200. The board also submitted 2005 building permit records in the amount of \$351,316 for the construction of the residence and \$10,000 for the garage construction. As a result of its analysis, the board requested confirmation of the subject's assessment.

In written rebuttal, the appellant's attorney indicated that the board of review failed to address the appellant's market value argument. He indicated that: there was no analysis of the comparables; no photos of the interiors of the comparables; and no analysis of upgraded finishes such as granite, marble, wood, slate, appliances, or windows.

After considering the arguments as well as reviewing 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. Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 339 Ill. App. 3d 529, 545 (1st Dist. 2002); National City Bank of Michigan/Illinois v. Prop. Tax Appeal Bd., 331 Ill. App. 3d 1038, 1042 (3d Dist. 2002) (citing Winnebago Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 313 Ill. App. 3d 179 (2d Dist. 2000)); 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. Calumet Transfer, LLC v. Prop. Tax Appeal Bd., 401 Ill. App. 3d 652, 655 (1st Dist. 2010); 86 Ill. Admin. Code. § 1910.65(c). Having considered the evidence presented, the Board finds that a reduction is not warranted.

A contemporaneous sale of property between parties dealing at arm's-length is a relevant factor in determining the correctness of an assessment and may be practically conclusive on the issue of whether an assessment is reflective of market value. Rosewell v. 2626 Lakeview Limited Partnership, 120 Ill. App. 3d 369 (1st Dist. 1983), People ex rel. Munson v. Morningside Heights, Inc., 45 Ill. 2d 338 (1970), People ex rel. Korzen v. Belt Railway Co. of Chicago, 37 Ill. 2d 158 (1967); and People ex rel. Rhodes v. Turk, 391 Ill. 424 (1945). In light of this holding, the appraisal submitted by the appellant has been given less weight.

In determining the fair market value of the subject property, the Board finds the best evidence to be the board of review's recent sale and costs to construct the subject. The un rebutted evidence indicates that the subject's costs for land and construction were at least \$621,200 according to the Thunder Construction contract and settlement statement, and greater according to the board's permit records. Therefore, the Board finds the subject property market value was \$621,200.

Less weight was given to the appellant's appraisal as it gave no consideration to the actual costs to construct the subject in its cost approach and used sales comparables that varied greatly in age, design, location and improvement size from the subject. As two of the three sales in the appraisal occurred in 2005, the Board finds it imperative that the subject's recent construction costs should be addressed in the appraisal and considered in the final analysis determining the subject's market value. Additionally, no weight was given to the board's equity comparables as they do not address the appellant's market value argument. The appellant's rebuttal was additionally given little weight as even the appellant's appraisal did not contain interior photos or consider interior finishes in the final appraisal value.

Therefore, since the subject's assessment reflects a lower market value than that indicated by the recent sale and construction costs, the Board finds that a reduction is not warranted based upon the market data submitted into evidence.

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

J. R.

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: February 22, 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.