FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Michael King
DOCKET NO.: 07-23558.001-R-1
PARCEL NO.: 18-03-422-071-0000

The parties of record before the Property Tax Appeal Board are Michael King, 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:	$6,703
IMPR.:	$36,369
TOTAL:	$43,072

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story, six unit apartment building of masonry construction containing 5,600 square feet of living area. The dwelling is 29 years old. Features of the building include a full basement finished with an apartment. The property is classified as a Class 2-11 residential property under the Cook County Real Property Assessment Classification Ordinance.

The appellant submitted evidence to the Property Tax Appeal Board claiming overvaluation. In support of the overvaluation argument, the appellant submitted an appraisal of the subject property with an effective date of January 1, 2005. The appraiser used three approaches to value in estimating a market value for the subject of $429,000.

In the cost approach to value the appraiser estimated the land value at $150,000. The appraiser estimated the reproduction cost new for the subject improvements to be $436,500. Physical depreciation of $201,600 was subtracted from this figure, resulting in a depreciated cost new of $234,900. Adding the land value of $150,000 to the improvement value resulted in a depicted value for the subject by the cost approach of $452,400[1].

[1] $384,900 is the correct figure here.

In the sales approach to value the appraiser utilized three comparable sales that sold from March 2003 through June 2004, for prices that ranged from $439,000 to $550,000. The comparable's proximity to the subject range from .21 mile to 1.44 mile. The properties are improved with two-story, 5 or 6 unit apartment buildings. The buildings range in age from 35 to 53 years old. The comparable sales have a sale price per unit of $76,667 to $91,667. The appraiser estimated the subject's market value to be $460,000 using the sales comparison approach.

In the income comparison approach to value the appraiser utilized typical income/expenses data (actual and forecasted) to determine the net operating income value was $20,563. The Appraiser then applied an overall capitalization rate of 6%. The capitalization rate was calculated using the band of investment technique and market extraction methods which indicated an overall rate of 7%. The appraiser estimated the subject's value to be $340,000 using the income approach to value.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $59,374 was disclosed. The subject's assessment reflects a market value of $591,374 using the 2007 three-year median level of assessment for Class 2 property of 10.04% as determined by the Illinois Department of Revenue. To demonstrate the subject was correctly assessed, the board of review presented descriptions and assessment information on four comparable properties consisting of two-story, masonry dwellings that range from 29 to 33 years old. The buildings range in size from 4,136 to 5,600 square feet of living area. Three comparables have a full basement finished with an apartment and one comparable has a full basement finished with a recreation room. One comparable has a 2-car garage and one comparable has a 3-car garage. Two comparables have sale information indicating a sale price of $650,000 and $735,000 with a sale date of June 1, 2004 and September 1, 2005 respectively. Based on this evidence, the board of review requested confirmation of the subject's assessment.

After considering the evidence 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 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); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179 (2nd 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 Sec. 1910.65(c). Having considered the evidence presented, the Property Tax Appeal Board finds that a reduction is warranted.

The Board gives less weight to the board of reviews' equity comparables with sales information because they were dissimilar to the subject in size with no adjustments to account for this difference. The Board finds the best evidence of market value in the record was the appraisal of the subject property submitted by the appellant. Using the three traditional approaches to value the appraiser estimated the subject had a market value of $429,000 as of January 1, 2007. The appraisal reflects a market value less than the market value reflected by the subject's assessment.

Based on this record, the Property Tax Appeal Board finds that the subject property had a market value of $429,000 as of January 1, 2007. Since market value has been determined the 2007 three-year median level of assessments for Class 2 residential property under the Cook County Real Property Assessment Classification Ordinance of 10.04% as determined by the Department of Revenue shall apply (86 Ill.Admin.Code 1910.50(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.

Chairman

Member

Member

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: April 22, 2011

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.