



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

APPELLANT: Jakubco
DOCKET NO.: 07-24028.001-R-1
PARCEL NO.: 11-19-405-016-0000

The parties of record before the Property Tax Appeal Board are Jakubco, the appellant(s), by attorney Arnold G. Siegel, of Siegel & Callahan, P.C. 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: \$33,829
IMPR: \$119,853
TOTAL: \$153,682

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 16,583 square foot parcel of land improved with two improvements. The first improvement is an 86-year old, two-story, masonry, single-family dwelling containing 4,892 square feet of living area. Improvement #2 is an 89-year old, masonry, 556 square foot coach house located above the garage. The appellant argued that the fair market value of the subject was not accurately reflected in its assessed value as the basis of the appeal.

In support of the market value argument, the appellant submitted an appraisal undertaken by Steven Rapoport and Harry M. Fishman with Property Valuation Services. The report indicates Rapoport and Fishman are State of Illinois certified appraisers. The appraisers indicated an estimated market value of \$1,375,000 as of January 1, 2007. The appraisal report utilized the cost and sales comparable approaches to value to estimate the market value for the subject property.

The appraisal indicates its purpose is to form an opinion of market value in order to establish an equitable ad valorem tax assessment. The appraisal also indicates that the subject was inspected on April 9, 2009 and makes the assumption that the subject property was in similar condition on the day of inspection as it was on the date of valuation. In addition, the appraisal notes that, at the request of the client, an interior inspection was not conducted and all information regarding the interior of the home is based on information provided by the client which is subject to the accuracy of this information.

In summarizing the subject property, the appraisal describes the subject as having only one improvement containing 4,892 square feet of living area. The appraiser notes the owner reported some issues with a leaking basement and found the subject to have an overall condition below average. The appraisal found the subject's highest and best use to be its present use.

In the cost approach to value, the appraisers estimated the subject's land value at \$1,080,000 using the market extraction method. The comparables are those sales included in the sales comparison approach. The appraisers then calculated a replacement cost new of \$901,670 based on only the one improvement. The subject was depreciated by \$586,086 for a depreciated improvement value of \$315,584. The land and site improvements were added back in to estimate a value for the subject property under the cost approach of \$1,410,000, rounded.

Under the sales comparison approach, the appraiser analyzed the sales of three properties. The appraisal describes these properties as two and part three-story, frame or masonry, single-family dwellings from 93 to 104 years old. The properties sold from July 2005 to November 2005 for prices ranging from \$1,395,000 to \$1,450,000 or \$215.41 to \$300.58 per square foot of living area. The appraisers made adjustments to the comparables for differences and estimated a value for the subject under the sales comparison approach of \$1,375,000.

In reconciling the approaches, the appraisers indicated that the cost approach was considered but not critical to the development of a credible conclusion of an assignment of this type. The appraisal determined a final estimate of value for the subject as of January 1, 2007 of \$1,375,000.

At the hearing the appellant's attorney argued that the subject property contains two improvements, one of which is a one and one-half story coach house/garage. He asserted that the second improvement is not fully acknowledged in the appraisal, but is just listed as a garage. He argued that the space is a minimal studio apartment which does not add any per square foot value to the property. He acknowledges the defect in the appraisal with the absence of including the apartment, but argues that the appraisal does consider the garage and makes adjustments for this amenity.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$153,682 was disclosed. The subject's final assessment reflects a fair market value of \$1,530,697 when the Illinois Department of Revenue's 2007 three-year median level of assessment of 10.04% for Cook County Class 2 properties is applied.

In support of the subject's assessment, the board of review submitted the property characteristic printout for the subject property as well as a copy of the file from the county level appeal. This evidence includes a copy of the plat of survey which shows the brick garage has a second floor coach house. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the board of review's representative, Roland Lara, argued that the improvement was not minimal and does add value to the property. He testified based on his personal knowledge that the appraisal's comparable #1 is not a multi-improvement property while comparable #2 is. He asserted that this multi-improvement property contained improvements that are not comparable to the subject. He also testified that comparables #1 and #3 have been designated by the county as landmarks and asserted that these are not meaningful comparables for this reason.

In rebuttal at hearing, the appellant's attorney argued that the issue is not that there are two improvements, but the nature of the improvement and asserts that second improvement was not ignored, but was just not completely acknowledged. He argues the garage portion of the improvement was included in the estimate of value.

After reviewing the record and considering 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. 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 1910.65(c).

In determining the fair market value of the subject property, the PTAB finds the appellant's appraisal flawed. The appraisers failed to acknowledge the living space above the garage. Due to this failure, this value was not included in developing a replacement cost new in the cost approach nor where there any adjustments made to the comparables in the sales comparison approach based on this additional living space.

The appraisers acknowledge that they did not perform an interior inspection of the property and all the information in regards to the interior of the subject was provided by the owner and subject to reliance on this information. The appraisers then found the condition of the subject to be below average without this interior inspection and made downward adjustments to all the comparables for this condition. The PTAB finds this opinion, without an interior inspection, is not credible or supported.

The PTAB finds this additional living space would add value to the subject and that the appraisers failed to include this living space within the appraisal to estimate a complete value for the subject.

Therefore, the PTAB finds that the appellant failed to submit complete, accurate, and credible evidence to show, by a preponderance of this evidence, that the subject property is overvalued and the PTAB finds a reduction in the subject's assessment 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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mark 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.