



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

APPELLANT: Henry Bellagamba
DOCKET NO.: 07-26778.001-R-1
PARCEL NO.: 14-32-101-013-0000

The parties of record before the Property Tax Appeal Board are Henry Bellagamba, the appellant, by attorney Anthony M. Farace, of Amari & Locallo 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: \$ 19,800
IMPR.: \$ 40,442
TOTAL: \$ 60,242

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of two improvements situated on one parcel. Both buildings have a classification code of 2-11 under the Cook County Real Property Assessment Classified Ordinance, and they are located in Chicago, North Chicago Township, Cook County. Building #1 is a three-story multi-family building of masonry construction containing 3,528 square feet of living area, and building #2 is a two-story building of frame construction.

The parties do not agree on the age of building #1 and the number of apartments in building #2. According to the board of review, building #1 is 108 years old and has five apartment units and a full basement finished with an apartment and building #2 is 118 years old and contains 1,680 square feet of building area with four apartments and a full basement finished with an apartment. According to the appellant, building #1 is 118 years old with three two-bedroom apartments and two one-bedroom apartments. The appellant claims that building #1 has a full basement that is "mostly unfinished" and that building #2 is a two-story coach house with a studio apartment.

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 report in which a market value of \$600,000 was estimated for the subject property as of January 1, 2006. The appraiser developed all three approaches to value but gave primary emphasis to the income approach for estimating the market value of the subject property. Using the cost approach, the appraiser estimated a market value of \$610,000. Under the sales comparison approach, the appraiser considered five comparable properties that sold from April 2005 to May 2007 for prices that ranged from \$630,000 to \$895,000. The comparable properties are improved with buildings that were built in the 1920's. The comparable properties have from six to eight apartment units, and the unadjusted sale price per unit ranged from \$102,500 to \$127,857. The appraiser gave his opinion that the subject's market value was "substantially below these sales", because the subject is said to be in poor condition. As a result, the appraiser estimated the subject had a market value of \$105,000 per apartment unit or \$630,000 for the six apartment units in the subject property as of January 1, 2006. With the income approach, the appraiser looked at six comparable rental properties to estimate a market value of \$580,000. The appraiser looked at six comparable rental properties and calculated that the subject had gross potential income of \$86,400. The appraiser deducted \$4,320 for vacancy/collection loss and \$16,304 for operating expenses. As a result, the appraiser determined the subject's net operating income was \$65,776. The appraiser used an 11.30% capitalization rate, which included an effective tax rate of 2.30%, to arrive at an indicated market value of \$582,088. Consequently, the appraiser's final estimate of the subject property's value was \$600,000 as of January 1, 2006. The appellant's counsel requested that the subject's total assessment be reduced to \$60,000.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject property's final assessment of \$153,573 was disclosed. The subject's assessment reflects a market value of \$1,529,612 using the 2007 three-year median level of assessments for Cook County Real Property Assessment Classification Ordinance Class 2 property of 10.04% as determined by the Illinois Department of Revenue. (86 Ill.Admin.Code 1910.59(c)(2)).

The board of review did not submit any market value evidence. Instead, the board of review presented descriptions and assessment information on six comparable properties for both buildings. The three comparable properties for building #1 consist of two-story masonry multi-family dwellings that are either 119 or 123 years old. The comparables have the same assigned neighborhood and classification codes as the subject. The dwellings range in size from 3,343 to 3,916 square feet of living area. These properties have improvement assessments ranging from \$78,527 to \$90,424 or from \$23.09 to \$23.70 per square foot of living area. The three comparables for building #2 consist of two-story multi-family dwellings. The dwellings have frame, masonry, or frame and masonry exterior construction. One of the buildings is one-year old, and the other two are 123

and 124 years old. The buildings range in size from 1,920 to 2,608 square feet of building area. These comparables have improvement assessments ranging from \$59,353 to \$83,832 or from \$30.91 to \$32.14 per square foot of building area.

The subject property had an improvement assessment for both buildings of \$133,773. 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 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, 2007 assessment date. The appraiser estimated a market value of \$600,000 for the subject property as of January 1, 2006. The subject's assessment reflects a market value of \$1,529,612 and is in excess of the market value estimate contained in the appraisal report. The board of review submitted a total of six 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 \$600,000 as of January 1, 2007, and the 2007 three-year median level of assessments for Cook County Real Property Assessment Classification Ordinance Class 2 property of 10.04% as determined by the Illinois Department of Revenue shall apply. (86 Ill.Admin.Code 1910.59(c)(2)). The Board further finds the evidence in the record supports a reduction in the subject's assessment.

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

Frank J. Huff

Member

Mark Morris

Member

JR

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 20, 2012

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.