



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

APPELLANT: Herman Lazar
DOCKET NO.: 07-26898.001-C-1
PARCEL NO.: 10-21-218-045-0000

The parties of record before the Property Tax Appeal Board are Herman Lazar, the appellant(s), by attorney Robert M. Sarnoff, of Sarnoff & Baccash of 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: \$ 39,866
IMPR.: \$ 52,534
TOTAL: \$ 92,400

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 49-year-old, two-story plus "English Basement", 12-unit, masonry constructed, apartment building containing 7,907 square feet of above grade building area. The improvement is situated on a parcel of land containing 15,101 square feet located in Niles Township, Cook County. The subject contains nine one-bedroom units and three two-bedroom units.

The appellant, through counsel, submitted evidence before the Property Tax Appeal Board arguing that the fair market value of the subject is not accurately reflected in its assessed value. In support of this argument, the appellant submitted an income analysis report dated January 1, 2007 containing the income approach to value prepared by a State of Illinois certified real estate appraiser.

In the income approach, the appraiser confirmed the subject's gross rent as comparable to local market rent by employing nine rental comparables that ranged from \$660 to \$760 for the one-bedroom units and from \$755 to \$900 for the two-bedroom units. Based on an analysis of the rentals, current market conditions, the condition of the subject property, and the subject's actual rental rates, the appraiser estimated a market rental income of \$750 per month for the one-bedroom units and \$850 per month for the two-bedroom units. After considering vacancy loss and other income, the appraiser arrived at an effective gross income (EGI) of \$103,672 for the subject. The next step taken by the appraiser was the deduction of expenses totaling \$40,432 to arrive at a net operating income (NOI) of \$63,240. Deducting building reserves and furniture, fixtures and equipment (FFE) of \$8,201 results in a net operating income (NOI) attributed to the real estate of \$55,039. The appraiser then researched the market utilizing the band of investment technique to determine a capitalization rate of 8.00% to which the appraiser included a tax load of 5.04% totaling 13.04%. Applying the capitalization rate to the NOI resulted in a value for the subject through the income capitalization approach of \$420,000 rounded, as of January 1, 2007.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the subject's total assessment of \$111,122, which reflects a market value of \$505,100 or \$64 per square foot and \$42,092 per unit, utilizing the Cook County Real Property Assessment Classification Ordinance level of assessment of 22% for Class 3 property, such as the subject. As evidence, the board of review submitted six sales with an unadjusted range of from \$63,333 to \$166,667 per unit, with the sale prices ranging from \$760,000 to \$2,000,000. No analysis or adjustment of the sales data was provided by the board. Based on the evidence presented, the board of review requested confirmation of the subject's assessment.

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 arms-length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. (86 Ill.Adm.Code §1910.65(c)).

The Property Tax Appeal Board finds the appellant has met this burden and has submitted the best evidence of market value. The appellant's income analysis of the subject's income supported by market data indicates the subject property was valued at \$420,000 as of January 1, 2007. The Board finds the board of review did

not present any evidence or argument refuting the appellant's income analysis. The Board gives little weight to the board of review's comparables as the information provided was raw sales data with no adjustments made.

Therefore, the Property Tax Appeal Board finds that the subject had a fair market value of \$420,000 as of January 1, 2007. Since fair market value has been established, the Cook County Real Property Assessment Classification Ordinance level of assessment for Class 3 property of 22% shall apply. In applying this level of assessment to the subject, the assessed value is \$92,400, while the subject's current assessed value is above this amount at \$111,122. Therefore, the Board finds that a reduction is 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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

Shawn R. Lerbis

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 23, 2010

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.