



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

APPELLANT: Christopher Kowalski
DOCKET NO.: 07-27749.001-R-1
PARCEL NO.: 02-32-103-058-0000

The parties of record before the Property Tax Appeal Board are Christopher Kowalski, the appellant, by attorney Patrick J. Cullerton, of Thompson Coburn LLP 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: \$ 44,354
IMPR.: \$ 189,437
TOTAL: \$ 233,791

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is situated on 138,608 square feet of land and is improved with two improvements. Improvement #1 is a 50 year old, two-story, masonry, single-family dwelling containing 4,672 square feet of living area. Its improvement assessment is \$72,997. Improvement #2 is a ten year old, two-story, masonry, castle-style single-family dwelling containing 3,564 square feet of living area. Its improvement assessment is \$116,440. The subject's total assessment is \$233,791 which yields a fair market value of \$2,328,596 after applying the 2007 Illinois Department of Revenue three year median level of assessment for Class 2 properties of 10.04%. The appellant, via counsel, argued that the fair market value of the subject property was not accurately reflected in its assessed value as the basis of this appeal.

In support of the market value argument, the appellant submitted a residential appraisal report for the subject property with an effective date of January 1, 2008. The appraiser estimated a fair market value for the subject of \$1,450,000 based on the cost and sales comparison approaches to value.

Under the cost approach, the appraiser used the sales comparison approach to determine the subject's land value of \$588,670, or \$185,000 per acre. The appraiser used three vacant land comparables located within 13 miles of the subject, which range in size from 1.001 acres to 5.009 acres.

The appraiser then estimated the replacement cost new of both improvements using the Marshall and Swift Residential Cost Handbook. A separate worksheet was used for each improvement. After depreciation, the appraiser estimated Improvement #1's value to be \$378,143 and Improvement #2's value to be \$445,989. After adding the land value and yard improvements of \$638,670 to Improvement #1's value and Improvement #2's value, the appraiser concluded that the subject's total value under the cost approach was \$1,462,780.

In the sales comparison approach, the appraiser used four sales comparables. Comparable #1 had a -18.6% adjustment for site size, a +10.6% adjustment for gross living area, a +44.8% adjustment for lacking a second residence, a net adjustment of 40.5%, and a gross adjustment of 79.7%. Comparable #2 had a -29.6% adjustment for site size, a +44.6% adjustment for lacking a second residence, a net adjustment of 24.7%, and a gross adjustment of 93.9%. Comparable #3 had a +44.8% adjustment for lacking a second residence, a net adjustment of 15.9%, and a gross adjustment of 74.5%. Comparable #4 had a +20.6% adjustment for site size, a +42.5% adjustment for lacking a second residence, a net adjustment of 50.5%, and a gross adjustment of 76.8%. The appraiser described what adjustments were made, but did not explain the reasons why these adjustments were necessary. Additionally, comparable #4, the comparable located closest to the subject, was located 6.82 miles away. Comparables #1 through #3 ranged from 12.15 to 15.82 miles in distance from the subject property.

The Cook County Board of Review submitted its "Board of Review-Notes on Appeal," wherein the subject's total assessment of \$233,791 was disclosed. The board of review did not provide any evidence in support of the subject's assessment. However, the board of review's evidence indicated that Improvement #1 contains 4,056 square feet of living area. As the appraiser did inspect the subject property and took measurements of the improvements' perimeters, the appraiser's square footage calculations are accepted by the Board as being accurate. These measurements were memorialized in the appraisal on a map with the measurements. Based on this submission, the board of review requested confirmation of the subject's assessment.

In written rebuttal, the appellant argued that the board of review failed to refute the appellant's overvaluation claim.

After reviewing the record and considering the evidence, the Property Tax Appeal Board (the "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 the evidence indicates a reduction is not warranted based on market value.

The Board does not find the appraisal submitted by the appellant persuasive. The appraiser failed to make any adjustments for the location of any of the sales comparables, even though the closest comparable is 6.82 miles away from the subject. The remaining three comparables are between 12.15 and 15.82 miles away from the subject and are located in differing counties. Furthermore, other adjustments made by the appraiser are excessive, and the appraiser did not explain the need for these excessive adjustments. There are appraisal guidelines regarding adjustments found in the U.S. Housing and Urban Development Handbook. U.S. Housing and Urban Development Handbook 4150.2, Appendix D, D-31 (the "HUD Handbook"). These guidelines state that a line item adjustment should not exceed 10.0%, that a net adjustment should not exceed 15.0%, and that a gross adjustment should not exceed 25.0%. Id. If the appraiser does exceed a guideline, the HUD Handbook states that the appraiser should explain why such an excessive adjustment was necessary. Id. In the appraisal, there are 16 instances where the appraiser exceeded the guidelines (detailed above), but no explanations regarding why the adjustments were necessary. Without such an explanation, the Board finds that the appellant has not met the burden of proving, by a preponderance of the evidence, that the subject is overvalued, and that a reduction is not warranted based on market value.

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: November 22, 2013



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.