



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

APPELLANT: Mark & Rebecca Alger  
DOCKET NO.: 07-28369.001-C-1  
PARCEL NO.: 17-06-432-026-0000

The parties of record before the Property Tax Appeal Board are Mark & Rebecca Alger, the appellants, by attorney Terrence Kennedy Jr., of Law Offices of Terrence Kennedy Jr. 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: \$10,656  
IMPR.: \$41,067  
TOTAL: \$51,723**

Subject only to the State multiplier as applicable.

**ANALYSIS**

The subject property is a 2,775 square foot parcel of land improved with two buildings. The front building is a 106 year old mixed-use building containing 4,261 square feet of building area. There is one commercial unit in the four-unit building. Features include a partial unfinished basement and air conditioning. At the rear of the property is a 118 year old multi-family dwelling containing 1,850 square feet of living area.

The appellant is only appealing the assessment on the mixed-use building located at the front of the subject property. The appellant's appeal is based on unequal treatment in the assessment process. The appellant submitted information on four comparable properties described as two or three-story masonry buildings that range in age from 109 to 125 years old. The comparable buildings range in size from 3,168 to 5,214 square feet of building area. All of the comparables are of mixed-use with from two to six units. Each comparable has one commercial unit. Three of the buildings have partial unfinished basements; one has air conditioning and two have detached garages. The comparables have improvement assessments ranging from \$3.66 to \$5.85 per square foot of building area. The subject's improvement assessment for the mixed-use building is \$7.24 per

square foot of building area. Based on this evidence, the appellant requested a reduction in the subject's improvement assessment to reflect the average per square foot assessment of the four comparables.

The appellant also argued that the subject's assessment was excessive when compared to the "economic market value" of the mixed-use building. In support of this argument, the appellant submitted income and expense statements for the years 2003 through 2005. The appellant factored the 2005 net income for the mixed-use building of \$33,194 by a capitalization rate of 13.27% to determine an economic value of \$250,143. Applying a 16% level of assessments, the appellant requested an assessment of \$40,023.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment for the two buildings was disclosed. The board of review presented descriptions and assessment information on four comparable properties. The board presented information on only multi-family dwellings and did not address the assessment of the mixed-use building. The multi-family comparables range in size from 4,158 to 4,410 square feet of living area. These properties have improvement assessments ranging from \$54,844 to \$63,556.

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. The Board further finds a reduction in the subject's assessment is warranted.

The appellant contends unequal treatment in the subject's improvement assessment as the basis of the appeal. Taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). After an analysis of the assessment data, the Board finds the appellant has met this burden.

The Board finds the comparables submitted by the appellant were most similar to the subject under appeal. The appellant appealed the assessment of only the mixed-use building and presented assessment data on four mixed-use properties. These comparables had improvement assessments that ranged from \$3.66 to \$5.85 per square foot of living area. The subject's improvement assessment of \$7.24 per square foot of living area is above the range established by the most similar comparables. The board of review did not submit any information concerning the assessment of this building, but only submitted data concerning multi-family apartment buildings.

After considering adjustments and the differences in the comparables when compared to the subject, the Property Tax Appeal Board finds the improvement assessment of the subject's mixed-use

building is not equitable and a reduction in that portion of the subject's improvement assessment is warranted.

The appellant's attorney also argued the subject's income and expenses indicates the subject should have a market value of \$250,143. In support of this argument the attorney presented the subject's income and expenses for 2003 through 2005. Utilizing the 2005 income and expenses the attorney determined the subject's net operating income was \$33,194. The attorney used a 13.27% capitalization rate, which included an effective tax rate of 2.27%, to arrive at an indicated market value of \$250,143. Based on this estimate of value the attorney requested the subject's assessment be reduced to \$40,023 after applying the 16% level of assessment for class 2 property as provided by the Cook County Real Property Assessment Classification Ordinance.

The Property Tax Appeal Board gives no weight to appellant's assessment request based on the income approach for the mixed-use building. Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate through an expert in real estate valuation that the subject's actual income and expenses are reflective of the market. To demonstrate or estimate the subject's market value using income, one must establish, through the use of market data, the market rent, vacancy and collection losses, and expenses to arrive at a net operating income are reflective of the market and the property's capacity for earning income. The appellant did not provide such evidence. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant did not provide such evidence; therefore, the Property Tax Appeal Board gives this argument no weight.

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

*Mario Morris*

Member

*J. R.*

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 19, 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.