



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

PELLANT: Izabela Roman
DOCKET NO.: 08-21762.001-R-2
PARCEL NO.: 05-17-312-051-0000

The parties of record before the Property Tax Appeal Board are Izabela Roman, the appellant, by attorney Scott Shudnow, of Shudnow & Shudnow, Ltd. 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: \$ 82,704
IMPR: \$ 118,896
TOTAL: \$ 201,600

Subject only to the State multiplier as applicable.

ANALYSIS

The subject has 39,766 square feet of land that is improved with an 85 year old, two and one-half story, frame and stucco, single-family dwelling. The subject's improvement size is 9,783 square feet of living area, and its total assessment is \$336,000. This assessment yields a fair market value of \$3,500,000, or \$357.76 per square foot of living area (including land), after applying the 2008 Illinois Department of Revenue three year median level of assessment for Class 2 properties of 9.60%. 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 \$2,100,000 based on the

cost and sales comparison approaches to value. The appraiser also conducted an inspection of the subject.

Under the cost approach, the appraiser estimated the subject's land value at \$600,000. The appraiser then estimated the replacement cost new of the improvements, including the basement, patio and three-car garage, using the Marshall and Swift Residential Cost Handbook. After depreciation, the appraiser estimated the improvement's value to be \$1,347,016. After adding the land value and site improvements, the appraiser concluded that the subject's total value under the cost approach was \$2,197,016. The appraiser stated that no consideration was given to this approach in his final analysis due to insufficient market evidence.

In the sales comparison approach, the appraiser used five sales comparables, located in either Glencoe or Winnetka. The sales ranged in unadjusted value from \$265.00 to \$404.41 per square foot, including land, and, after adjustments, ranged in value from \$204.85 to \$373.73 per square foot, including land. The subject's market value is \$357.76 per square foot, including land. Comparable #1, containing 10,000 square feet of living area, had a net adjustment of 22.7% and a gross adjustment of 27.7%. Comparable #2, containing 6,100 square feet of living area, had a net adjustment of 15.1% and a gross adjustment of 28.4%. Comparable #3, containing 5,803 square feet of living area, had a net adjustment of 10.7% and a gross adjustment of 12.5%. Comparable #4, containing 6,800 square feet of living area, had a net adjustment of 13.7% and a gross adjustment of 23.0%. Comparable #5, containing 6,324 square feet of living area, had a net adjustment of 7.4% and a gross adjustment of 7.4%. The appraiser described what adjustments were made, and noted large adjustments were made for modernization and updates. The appraiser also indicated that some of the comparables were located beyond the typical search boundaries and a majority of the sales were inferior in gross living area. Finally, the appraiser indicated that although lot size adjustments were made, a larger adjustment was not justified as most buyers would not expect a lot size similar to that of the subject. Based on this evidence, the appellant requested a reduction in the subject's market value to \$214.99 per square foot, including land.

The Cook County Board of Review submitted its "Board of Review-Notes on Appeal," wherein the subject's total assessment of \$336,000 was disclosed. In support of the subject's assessment, the board of review submitted descriptive and assessment

information for three properties suggested as comparable to the subject. The comparables are described as two-story, frame, masonry, or stucco, single-family dwellings. Additionally, the comparables range: in age from 10 to 88 years; in size from 5,337 to 5,801 square feet of living area; and in improvement assessments from \$37.66 to \$49.60 per square foot of living area. The comparables also have several amenities. Based on this evidence, 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.

The Board does not find the appraisal's conclusion of value to be persuasive as many of the adjustments made by the appraiser in the sales comparison approach were excessive. 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. Specifically, comparables #1 and #2 had gross adjustments of 27.7% and 28.4%, respectively. The remaining three comparables submitted by the appellant, whose gross adjustments did not exceed appraisal guidelines, ranged in adjusted value from

\$292.95 to \$404.41 per square foot, including land. The subject's current value of \$357.76 is within this range. The appraiser's indicated market value for the subject of \$214.66 is well below this range as well as well below the range of the unadjusted sales, which ranged from \$265.00 to \$404.41 per square foot, including land.

Although the cost approach in the appraisal supported the value indicated by the sales comparison approach, it was given no consideration in the appraiser's final analysis as there was insufficient market evidence to credibly support the site value and total depreciation. Accordingly, the Board accords diminished weight to this appraisal and finds that the estimate of value for the subject property is unreliable. As stated above, the Board examined the unadjusted sales provided in the appraisal and the subject's market value is within the range established by these sale prices. The Board gives no weight to the board of review's evidence as it did not address the appellant's market value argument.

Therefore, the Board finds the subject's per square foot assessment is supported and 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.

Ronald R. Cuit

Chairman

K. L. Ferr

Member

Member

Mario M. Lino

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 18, 2014

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.