



**A M E N D E D
FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Jeffrey & Laura Kepes
DOCKET NO.: 08-21871.001-R-1
PARCEL NO.: 05-07-412-005-0000

The parties of record before the Property Tax Appeal Board are Jeffrey & Laura Kepes, the appellants, by attorney Mitchell L. Klein, of Schiller Klein PC 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: \$ 20,966
IMPR.: \$ 93,274
TOTAL: \$ 114,240**

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 8,736 square feet of land improved with a seven-year old, two-story, stucco, single-family dwelling. The improvement includes three full and one half-baths, a full unfinished basement, multiple fireplaces, and a two-car garage.

The appellant argued that the market value of the subject property is not accurately reflected in the property's assessed valuation as the basis of this appeal.

In support of the market value argument, the appellant submitted a uniform residential appraisal report of the subject property with an effective date of January 1, 2007 undertaken by Pamela Sonshine, who holds the designation of State General Real Estate Appraiser. The appraiser estimated a market value for the subject of \$1,190,000, while developing two approaches to value. The estimated market value under the cost approach was \$1,193,400 and under the sales comparison approach was \$1,190,000.

As to the subject, the appraiser indicated that the subject's building contained finished, basement area of 1,620 square feet. The subject was in overall average physical condition. In addition, the appraisal included copies of the building's floor plan, photographs of the subject and the suggested comparables, and an area map depicting the location of the comparables and the subject.

The first step under the cost approach was to value the site. Using land sales/tear downs, the appraiser estimated a land value for the subject of \$600,000, while opining that the subject's site value is approximately 50% of the property's overall value. The appraiser estimated the replacement cost new of the subject at \$589,340, with site improvements.

The appraiser employed the age-life methodology to estimate the subject's actual age of seven years and an economic life of 100 years resulting in physical depreciation of \$15,914. Deducting total depreciation and then adding the site improvements and land value resulted in a final value under the cost approach of \$1,192,400.

Under the sales comparison approach to value, the appraiser utilized three sales comparables. These comparables sold from June, 2006, through December, 2006, for prices that ranged from \$1,075,000 to \$1,267,500, or from \$376.40 to \$429.14 per square foot. The properties were improved with a two-story, single-family dwelling in good condition while sited in an average location, as is the subject property. They ranged: in age from four to seven years; in improvement size from 2,505 to 3,307 square feet of living area; and in land size from 7,500 to 9,100 square feet of land. Each property included amenities such as: three full and one half-baths, two fireplaces, and a two-car garage. After making adjustments to the suggested comparables, the appraiser estimated the subject's market value was \$1,190,000.

In reconciling the two approaches to value, the appellant's appraiser placed less reliance upon the cost approach with maximum reliance placed on the sales comparison approach to value; thereby, reflecting a final market value of \$1,190,000 for the subject property.

At hearing, the appellants called their appraiser, Pamela Sonshine, as a witness in these proceedings. She testified as to her methodology in the cost approach as well as her three suggested comparables in the sales comparison approach to value. AS to the subject property, she stated that she conducted an interior and exterior inspection of the subject, while indicating that she physically measured the subject's improvement. In addition, she indicated that she conducted a curbside exterior inspection of each of her suggested comparables.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$135,974 for tax year 2008. The board also submitted descriptive and assessment data on four suggested equity comparables. These properties ranged in land size from 7,950 to 9,100 square feet. They were improved with a two-story, stucco, single-family dwelling. The improvements ranged: in age from one to four years; in bathrooms from two full and one half-baths to three full and one half-baths; in size from 2,897 to 3,084 square feet of living area; and in improvements assessments from \$35.56 to \$44.34 per square foot of living area. Amenities include: a full basement, one or two fireplaces, and a two-car garage. The subject contains an improvement assessment of \$36.85 per square foot of living area. Moreover, the grid analysis indicated that the subject property had been accorded a deluxe condition, while the suggested comparables had been accorded an average condition.

In addition, the board submitted sales data on comparables #1, #2 and #4. The data indicated that these properties sold from July, 2005, to October, 2007, for prices that ranged from \$580,000 to \$1,625,000, or from an unadjusted range of \$188.07 to \$550.57 per square foot of living area. As a result of its analysis, the board requested confirmation of the subject's assessment.

At hearing, the board's representative testified that the subject and the suggested equity comparables are located within the same neighborhood; however, upon further review of the board's evidence, she stated that comparables #1 and #2 were located in a different municipality in comparison to the subject. Lastly, she indicated that she neither had personal knowledge of the proximity of the suggested comparables to the subject nor of the variances in condition that was accorded the properties by the assessor's office.

In written rebuttal, the appellants' attorney argued that the board of review had failed to proffer market data in support of the subject's assessment. Moreover, at hearing, he asserted that homes located in a different municipality than the subject tend to sell for higher market values than the subject's municipality.

After considering the arguments and reviewing the evidence, the Property Tax Appeal 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. 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 arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. 86 Ill.Admin.Code 1910.65(c). Having considered the evidence

presented, the Board concludes that the appellant has met this burden and that a reduction is warranted.

In determining the fair market value of the subject property, the Board finds the best evidence to be the appellant's appraisal. The appellants' appraiser was called as a witness and provided credible testimony on examination and cross examination as to her methodology in developing two of the three traditional approaches to value in determining the subject's market value. The Board further finds this appraisal to be persuasive for the appraiser personally inspected the subject property and utilized market data to obtain land sales and improved sale comparables while providing sufficient detail regarding each sale as well as appropriate adjustments where necessary.

Moreover, the Board finds that the board of review's evidence included unadjusted market data on three suggested comparables. The Board accorded these properties less weight due to a disparity in location, condition, improvement size and age.

Therefore, the Board finds that the subject property contained a market value of \$1,190,000 for tax year 2008. Since the market value of the subject has been established, the Board shall apply the appropriate Illinois Department of Revenue median level of assessment for Class 2, residential property of 9.60%. Therefore, the Board finds that a reduction is warranted to 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.

Ronald R. Cuit

Chairman

Frank J. Huff

Member

Member

Shawn R. Lerbis

Member

Member

Mario M. Louie

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: September 23, 2011

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.