



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

APPELLANT: Steven Ryan
DOCKET NO.: 08-22089.001-R-2
PARCEL NO.: 05-16-101-016-0000

The parties of record before the Property Tax Appeal Board are Steven Ryan, the appellant, 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: \$ 101,490
IMPR.: \$ 169,710
TOTAL: \$ 271,200

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of 34,757 square feet of land improved with a 111-year old, three-story, frame, 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 via counsel: that the improvement's size and amenities are in dispute and that the market value of the subject property is not accurately reflected in the property's assessed valuation as the bases 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, 2008 undertaken by Arthur K. Klemp and Michael J. Sullivan, who each hold the designation of State General Real Estate Appraiser. The appraisers estimated a market value for the subject of \$2,825,000, while developing two approaches to value. The estimated market value under the cost approach was \$3,384,100 and under the sales comparison approach was \$2,825,000.

As to the subject, the appraisers indicated that the subject's building was of a colonial design with an effective age from 20 to 30 years and an actual age of 111 years. The appraisal indicated that the improvement consisted of 7,598 square feet of living area as well as seven full and two half-baths, a partial finished basement, seven fireplaces, and a four-car garage area. The subject was built with good quality construction materials and was in overall average physical condition. In addition, the appraisal stated that the subject's highest and best use, as improved, was its current use. Moreover, the appraisal included copies of the building's detailed floor plan, photographs of the subject and the suggested comparables, and an area map.

The first step under the cost approach was to value the site. Using vacant land sales/tear downs in the subject's neighborhood, the appraisers estimated a land value for the subject of \$2,100,000. Using the Marshall and Swift Cost Manuals, the appraisers estimated a reproduction cost new of the improvements at \$195.00 per square foot of above grade living area; \$55.00 per square foot of basement area; and \$45.00 per square foot for garage, patio, fencing, decks and pool area. The total cost new was indicated as \$1,841,915.

The appraisers employed the age-life methodology to estimate the subject's effective age of 25 years and an economic life of 75 years resulting in physical depreciation of approximately 33%. External obsolescence at a value of \$25,000 was noted in the subject's location with moderate exposure to traffic on Sheridan Road with a notation that the market would not pay full price of an in-ground pool in the subject's extreme climate; thereby, noting functional obsolescence of \$50,000. Deducting total depreciation and then adding the site improvements and land value resulted in a final value under the cost approach of \$3,384,100.

Under the sales comparison approach to value, the appraisers utilized three sales comparables located in Winnetka, as is the subject. These comparables sold from December, 2005, through February, 2007, for prices that ranged from \$2,350,000 to \$3,530,000, or from \$356.60 to \$520.30 per square foot. The properties were improved with a three-story, single-family dwelling of masonry, stone, or frame exterior construction. The improvements contained good quality construction and were of average or good condition. They ranged: in bathrooms from four full and one half-baths to six full and two half-baths; in age from 83 to 113 years; and in improvement size from 5,814 to 7,262 square feet of living area. Each property included amenities such as three or four fireplaces and good functional utility, while two properties also include a multi-car garage. After making adjustments to the suggested comparables, the appraiser estimated the subject's market value was \$2,825,000.

In reconciling the two approaches to value, the appellant's appraisers 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 \$2,825,000 for the subject property.

At hearing, the appellant called the appraiser, Michael J. Sullivan, as a witness in this proceeding. He testified as to the methodology in the cost approach as well as providing details regarding the three suggested comparables and any adjustments thereto in the sales comparison approach to value. As to the subject property, he stated that his colleague conducted physical inspection of the subject. In addition, he stated that his colleague also completed a curbside exterior inspection of the three comparables used in this appraisal, while also taking the attached photographs of the comparables.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's total assessment was \$403,834 for tax year 2008. The subject's assessment reflects a market value of \$4,206,604 using the Illinois Department of Revenue's median level of assessment for Class 2, residential property of 9.60%. The board also submitted descriptive and assessment data on four suggested equity comparables. These properties ranged in land size from 21,750 to 34,650 square feet. They were improved with a two-story, single-family dwelling of either frame, masonry, or frame and masonry exterior construction. The improvements ranged: in age from four to 73 years; in bathrooms from four full and one half-baths to six full and two half-baths; in size from 5,708 to 6,520 square feet of living area; and in improvements assessments from \$38.28 to \$52.99 per square foot of living area. Amenities include: a partial or full basement, two or three fireplaces, and a multi-car garage. The subject contains an improvement assessment of \$37.47 per square foot of living area based upon a size of 8,069 square feet. 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 without further explanation.

In addition, the board submitted sales data on comparables #1 and #2. The data indicated that these properties sold from May, 2005, to July, 2005, for prices that ranged from \$420,002 to \$2,885,000, or from an unadjusted range of \$64.42 to \$505.43 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 she had no personal knowledge of the variances in condition that were accorded the properties by the assessor's office.

In written rebuttal, the appellant's attorney argued that the board of review had failed to proffer market data in support of the subject's assessment.

After considering the testimony and arguments as well as 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, 331Ill.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 appellant's appraiser was called as a witness and provided credible testimony on examination and cross examination as to the 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 appraisers 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 appraisal is the best evidence of the subject's improvement size and amenities for the appraisers had personally inspected the subject. Therefore, the Board finds that the subject's improvement contains 7,598 square feet of living area.

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

Therefore, the Board finds that the subject property contained a market value of \$2,825,000 for tax year 2008. Since the market value of the subject has been established, the Illinois Department of Revenue median level of assessment for Class 2, residential property of 9.60% will apply. In applying this level of assessment to the subject, the total assessed value is \$271,200, while the subject's current total assessed value is above this amount at \$403,834. 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 M. Louie

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: July 22, 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.