



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

APPELLANT: Christopher Kowalski
DOCKET NO.: 08-23542.001-R-1
PARCEL NO.: 02-32-103-058-0000

The parties of record before the Property Tax Appeal Board are Christopher Kowalski, the appellant(s), 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 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: \$ 44,354
IMPR.: \$ 109,127
TOTAL: \$ 153,481

Subject only to the State multiplier as applicable.

ANALYSIS

The subject has 138,608 square feet of land, which is improved with two improvements. Improvement #1 is a 50 year old, two-story, masonry, single-family dwelling, with an improvement assessment of \$72,997. Improvement #2 is a 10 year old, two-story, masonry, single-family dwelling, with an improvement assessment of \$116,440. The parties' evidence differs with regard to the improvements' sizes. The subject's total assessment is \$233,791, which yields a fair market value of \$2,435,323 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 there was unequal treatment in the assessment process of the subject's improvement, and also that the fair market value of the subject property was not accurately reflected in its assessed value as the bases of this appeal.

In support of the equity argument, the appellant submitted descriptive and assessment information for eight properties suggested as comparable to Improvement #1. The comparables are described as two-story, frame, masonry, or frame and masonry, single-family dwellings. Additionally, the comparables range: in age from 7 to 55 years; in size from 3,902 to 4,910 square feet of living area; and in improvement assessments from \$9.95 to

\$15.96 per square foot of living area. The comparables also have various amenities.

The appellant also submitted descriptive and assessment information for five properties suggested as comparable to Improvement #2. The comparables are described as two-story, frame, masonry, or frame and masonry, single-family dwellings. Additionally, the comparables range: in age from 7 to 55 years; in size from 3,902 to 4,594 square feet of living area; and in improvement assessments from \$9.95 to \$15.38 per square foot of living area. The comparables also have various amenities.

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 that the subject's land value was \$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 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 \$428,121, and Improvement #2's value to be \$445,989. After adding the land value, Improvement #1's value, and Improvement #2's value, the appraiser concluded that the subject's total value was \$1,462,780 under the cost approach to value.

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.

In the brief requesting relief, and the grid sheet submitted by the appellant, Improvement #1 is stated as having 4,672 square feet of living area, while Improvement #2 is stated as having 3,564 square feet of living area. The appellant's appraisal states that the subject improvements have the same square footage as the appellant's brief and grid sheet. The appraiser did

inspect the property, and took measurements of the improvements' perimeters. These measurements were memorialized in the appraisal on a map with the measurements. Based on this evidence, the appellant requested a reduction in the subject's assessment.

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 does state that Improvement #1 contains 4,056 square feet of living area. Based on this submission, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant reaffirmed the evidence previously submitted.

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.

With regard to the improvement sizes of the two improvements upon the subject, the Board finds the most persuasive evidence to be the appraisal submitted by the appellant. The Board finds the appraisal persuasive as to the improvement sizes because the appraiser conducted an inspection of the improvements, and took measurements of their perimeters. Therefore, the Board finds that Improvement #1 has 4,672 square feet of living area, which equates to an improvement assessment of \$15.62 per square foot of living area; and that Improvement #2 has 3,564 square feet of living area, which equates to an improvement assessment of \$32.67 per square foot of living area.

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. Several of the adjustments made by the appraiser are excessive, and the appraiser did not explain the need for the 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.

The appellant contends unequal treatment in the subject's improvement assessment as the basis of this 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. Walsh v. Prop. Tax Appeal Bd., 181 Ill. 2d 228, 234 (1998) (citing Kankakee Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 131 Ill. 2d 1 (1989)); 86 Ill. Admin. Code § 1910.63(e). To succeed in an appeal based on lack of uniformity, the appellant must submit documentation "showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property." Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 403 Ill. App. 3d 139, 145 (1st Dist. 2010); 86 Ill. Admin. Code § 1910.65(b). "[T]he critical consideration is not the number of allegedly similar properties, but whether they are in fact 'comparable' to the subject property." Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 403 Ill. App. 3d at 145 (citing DuPage Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 284 Ill. App. 3d 649, 654-55 (2d Dist. 1996)). After an analysis of the assessment data, the Board finds that the appellant has met this burden.

The Board finds that Comparables #1, #2, and #3 submitted by the appellant were most similar to Improvement #1 in location, size, style, exterior construction, features, and/or age. Due to their similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables had improvement assessments that ranged from \$9.95 to \$13.54 per square foot of living area. Improvement #1's improvement assessment of \$15.62 per square foot of living area is above the range established by the most similar comparables. Therefore, after considering adjustments and differences in both parties' comparables when compared to the subject, the Board finds that Improvement #1's improvement assessment is not equitable, and that it shall be reduced to \$13.25 per square foot of living area.

The Board finds that Comparables #1, #2, and #3 submitted by the appellant were most similar to Improvement #2 in location, size, style, exterior construction, features, and/or age. Due to their

similarities to the subject, these comparables received the most weight in the Board's analysis. These comparables had improvement assessments that ranged from \$9.95 to \$13.54 per square foot of living area. Improvement #2's improvement assessment of \$32.67 per square foot of living area is above the range established by the most similar comparables. Therefore, after considering adjustments and differences in both parties' comparables when compared to the subject, the Board finds that Improvement #2's improvement assessment is not equitable, and that it shall be reduced to \$13.25 per square foot of living area.

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: November 22, 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.