



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

APPELLANT: Tom Wlodarz
DOCKET NO.: 08-29469.001-R-1
PARCEL NO.: 14-31-131-032-0000

The parties of record before the Property Tax Appeal Board are Tom Wlodarz, the appellant(s), 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: \$12,384
IMPR.: \$18,816
TOTAL: \$31,200

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 2,400 square foot parcel of land improved with a 93-year old, three-story, masonry, mixed-use building containing 5,448 square feet of building area, three and one-half baths, and a partial unfinished basement. The appellant, via counsel, argued that the fair market value of the subject was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Robert S. Kang of Property Valuation Services. The report indicates Kang is a State of Illinois certified general appraiser. The appraiser indicated the subject has an estimated market value of \$325,000 as of January 1, 2008. The appraisal report utilized the sales comparison approach to value to estimate the market value for the subject property.

Mr. Kang was called as a witness. He testified that the subject's highest and best use is its existing use. Kang described the subject property as a three-story, masonry building that had

commercial space on the first floor and residential on the second and third. Kang testified that the subject property was gutted and had no electricity, heat or water. He stated the improvement was "basically a shell."

Kang testified he reviewed sales of other comparable properties to determine the subject's market value and ultimately analyzed six sales. The appraisal describes the six properties as masonry, two or three-story, mixed-use buildings located within the subject's market. The properties contain between 2,688 and 6,260 square feet of building area. The comparables sold from May 2007 to May 2009 for prices ranging from \$210,000 to \$660,000 or from \$78.13 to \$117.65 per square foot of building area, including land.

Kang testified that these comparables are fully operational and rentable. Kang further testified that a renovation expense was developed to account for the cost to bring the subject up to rentable status. This renovation expense was estimated at \$272,000 and the comparables were adjusted by this amount. In addition, the appraiser adjusted each of the comparables for other pertinent factors. Based on the similarities and difference of the comparables when compared to the subject, the appraiser estimated a value for the subject under the sales comparison approach of \$110.00 per square foot of building area, including land or \$599,280. A cost to cure was applied to this estimated value to arrive at a value for the subject in its current condition for January 1, 2008 at \$325,000, rounded.

Under cross-examination, Kang testified that the property was not purchased within the last three years.

In response to questions from the PTAB, Kang testified that he estimated a value for the subject as fully operational and rentable. He opined this value was at the upper end of the range of comparables. Kang testified that a renovation expense was applied to the full value to estimate the value of the properties in its shell condition.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$73,680 was disclosed. The subject's final assessment reflects a fair market value of \$767,500 when the Illinois Department of Revenue's 2008 three-year median level of assessment of 9.60% for Class 2 property is applied. In support of the subject's assessment, the board of review presented descriptions and assessment information on a total of four properties suggested as comparable and located within a quarter of a mile from the subject. The properties are described as three-story, masonry, mixed-use buildings. The properties range: in age from 91 to 108 years; in size from 4,788 to 5,625 square feet of building area; and in improvement assessments from \$11.85 to \$12.29 per square foot of building area. Two of these properties sold between July 2005 and September 2006 for prices ranging from \$696,000 to \$750,000 or from \$145.18 to \$145.36 per square foot of building area. Based

on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the board of review's representative, Michael Terebo, argued that the sales comparables in the appraisal support the subject's assessment. He testified that the board submitted equity evidence and that issue raised by the appellant is one of market value.

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.

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 PTAB concludes that the evidence indicates a reduction is warranted.

In determining the fair market value of the subject property, the PTAB finds the best evidence to be the appellant's appraisal. The appellant's appraiser utilized the sales comparison approach to value in determining the subject's market value. The PTAB finds this appraisal to be persuasive for the appraiser: has experience in appraising; personally inspected the subject property and reviewed the property's history; and used similar properties in the sales comparison approach while providing sufficient detail regarding each sale as well as adjustments that were necessary. In addition, the appraiser made appropriate adjustments for the shell condition of the subject. The PTAB gives little weight to the board of review's two sales comparables as the information provided was unadjusted raw sales data.

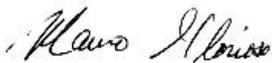
Therefore, the PTAB finds the subject had a market value of \$325,000 for the 2008 assessment year. Since the market value of this parcel has been established, the Illinois Department of Revenue's 2008 three-year median level of assessment of 9.60% for Class 2 property will apply. In applying this level of assessment to the subject, the total assessed value is \$31,200 while the subject's current total assessed value is above this amount. Therefore, the PTAB 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.

Chairman



Member



Member



Member



Acting 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 18, 2011



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.