



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

APPELLANT: Lyudmila & Michael Gilman
DOCKET NO.: 09-26605.001-R-1
PARCEL NO.: 03-02-314-002-0000

The parties of record before the Property Tax Appeal Board are Lyudmila & Michael Gilman, the appellant(s); 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: \$ 6,270
IMPR.: \$ 23,990
TOTAL: \$ 30,260

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property has 13,200 square feet of land, which is improved with a three-story, masonry, apartment building containing 5,796 square feet of living area. The subject includes six baths, and a slab. The subject is located in Wheeling Township, Cook County. The appellant argued that the market value of the subject property was not accurately reflected in its assessed value.

In support of the market value argument, the appellant submitted an appraisal undertaken by Edward T. Pavlica and Edward V. Kling of Steffens & Kling, LLC. The appraisal report states that Pavlica is licensed as a State of Illinois certified residential real estate appraiser, and that Kling is licensed as a State of Illinois certified general real estate appraiser. The appraisers stated that the subject had an estimated market value of \$340,000 as of August 18, 2010. The appraisal report utilized the cost approach to value, the income approach to value, and the sales comparison approach to value to estimate the market value for the subject property. The appraisal report states that Pavlica personally inspected the subject property, and that the subject's highest and best use as improved is its present use.

Under the cost approach to value, the appraisers estimated the subject's land value to be \$45,000 based on its contributory value. The improvement's replacement cost new was estimated to be \$430,720. The appraisers then deducted 60.00% from the replacement cost new to account for depreciation of the improvement. The appraisers then added the estimated land value and the value of the depreciated replacement cost to arrive at a value under the cost approach to value of \$217,288.

Under the income approach to value, the appraisers analyzed the rents of three suggested comparable nearby properties to estimate a potential gross income of \$60,060 for the subject. Vacancy and collection losses were estimated to be \$3,003, and expenses were estimated to be \$28,725, for a net operating income of \$28,332. A capitalization rate of 8.50% was utilized to estimate a value under the income approach to value of \$335,000, rounded.

Under the sales comparison approach, the appraisers analyzed the sales of four suggested comparables, which are described as three-story, masonry, apartment buildings that are from 15 to 40 years old, and contain from 4,193 to 6,276 square feet of living area. Additionally, the suggested comparables all have six baths. These suggested comparables sold from May 2009 to July 2010 for between \$327,500 and \$475,000, or from \$56.50 to \$112.09 per square foot of living area, including land. The appraisers adjusted each of the comparables for pertinent factors. Based on the similarities and differences of the comparables when compared to the subject, the appraisers estimated a value for the subject under the sales comparison approach to value of \$340,000.

The appraisers gave the most weight to the income approach to value, with secondary consideration given to the sales comparison approach. Thus, the appraisers concluded that the subject's appraised value was \$340,000 as of August 18, 2010. 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 final assessment of \$51,867 was disclosed. The subject's final assessment yields a fair market value of \$582,775 when the 2009 Illinois Department of Revenue three-year median level of assessment for Class 2 properties of 8.90% is applied. In support of the subject's assessment, the board of review presented descriptive and assessment information on four properties suggested as comparable to the subject. These properties are described as three-story, masonry, apartment buildings that are 30 years old, and contain 5,796 square feet of living area. Additionally, the suggested comparables all have six baths and a slab. These suggested comparables have improvement assessments ranging from \$8.31 to \$9.42 per square foot of living area. The subject's improvement assessment is \$7.81 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's assessment.

At hearing, the appellant reaffirmed the evidence previously submitted. The Cook County Board of Review Analyst, Jabari Jackson, argued that the appraisal should be given diminished weight because the appraisers were not present to testify.

After reviewing the record, hearing the testimony, 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 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 utilized the cost approach to value, the income approach to value, and the sales comparison approach to value in determining the subject's market value. The Board finds this appraisal persuasive because the appraiser has experience in appraising, personally inspected the subject property, reviewed the property's history, and used similar rental properties in the income approach while providing adjustments that were necessary. The Board gives little weight to the board of review's evidence as the information provided did not address the appellant's market value argument.

Therefore, the Board finds the subject had a market value of \$340,000 for the 2009 assessment year. Since the market value of this parcel has been established, the 2009 Illinois Department of Revenue three-year median level of assessment for Class 2 property of 8.90% will apply. 86 Ill. Admin. Code § 1910.50(c)(2)(A). In applying this level of assessment to the subject, the total assessed value is \$30,260, while the subject's current total assessed value is above this amount. 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.



Chairman



Member



Member



Member



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: January 31, 2013



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.