



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

APPELLANT: George Nagy  
DOCKET NO.: 09-26980.001-R-1 through 09-26980.006-R-1  
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are George Nagy, the appellant(s), by attorney Allen A. Lefkovitz, of Allen A. Lefkovitz & Assoc. P.C. 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
09-26980.001-R-1	02-01-401-013-1067	715	6,379	\$ 7,094
09-26980.002-R-1	02-01-401-013-1068	880	7,847	\$ 8,727
09-26980.003-R-1	02-01-401-013-1069	880	7,847	\$ 8,727
09-26980.004-R-1	02-01-401-013-1070	880	7,847	\$ 8,727
09-26980.005-R-1	02-01-401-013-1071	880	7,847	\$ 8,727
09-26980.006-R-1	02-01-401-013-1072	880	7,847	\$ 8,727

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Cook County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2009 tax year. The Property Tax Appeal Board (the "Board") finds that it has jurisdiction over the parties and the subject matter of the appeal.

**Findings of Fact**

The subject consists of a six-unit condominium building. The building is one of 24 buildings, which each contain six condominium units, for a total of 144 units. The 144 units were all subdivided under the same condominium declaration, and each

unit has a designated percentage of ownership in the common elements of the condominium complex. Five of the subject units (PINs -1068 through -1072) each have a 0.7168% percentage of ownership, and the sixth unit (PIN -1067) has a 0.5827% percentage of ownership. The property is located in Palatine Township, Cook County. The subject is classified as a class 2-99 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted information on three comparable sales for buildings located within the subject's condominium complex, and six comparable sales for buildings located outside the subject's condominium complex. These six sales were six-flats which are not comprised of condominium units, but are, instead, comprised of apartment units. Two of the three sales from within the subject's condominium complex were financed by the seller. The appellant argued that the sale prices for these two sales should be adjusted downward by \$100,000 to account for this fact.

The Cook County Board of Review submitted its "Board of Review Notes on Appeal," wherein the subject's total assessment of \$56,376 was disclosed. This assessment reflects a market value of \$633,438 after applying the 2009 three year average median level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 8.90% as determined by the Illinois Department of Revenue. In support of the subject's assessment, the board of review submitted a memo from Matt Panush, Cook County Board of Review Analyst. The memorandum shows that three units in the subject's complex, or 1.748% of ownership, sold from 2005 to 2007 for \$1,710,000. An allocation of 4.00% for personal property was subtracted from the sales price, and then divided by the percentage of interest of the units to arrive at a total market value for the complex of \$93,913,043. The subject's percentages of ownership were then utilized to arrive at a value for the subject of \$3,913,075. The board of review's evidence did not include any supporting information regarding which units were sold.

In rebuttal, the appellant reaffirmed the evidence previously submitted, and asked that a further reduction of 4.00% be reduced from the subject's sale price for personal property, in accordance with the board of review's analysis.

At hearing, counsel for the appellant reaffirmed the evidence previously submitted. A discussion was then held between the

Board and counsel for the appellant in order to ascertain the legal set-up of the subject and its condominium association. The board of review analyst argued that the comparables submitted by the appellant that were located outside the subject's condominium complex did not include any descriptive information.

### Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant has met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds the best evidence of market value to be the three sales comparables submitted by the appellant which were located within the subject's condominium complex. These comparables sold for prices ranging from \$500,000 to \$610,000. The subject's assessment reflects a market value of \$633,438, which is above the range established by the best comparables in this record.

However, the Board is not persuaded that two of the comparables' purchase prices should be reduced an additional \$100,000 because the sales transactions were seller financed. While it is true that the sale price in some seller financed transactions may include a premium due to the seller's/lender's additional risk in lending money to the purchaser/borrower, the appellant has not proved, by a preponderance of the evidence, that such a premium was included in the purchase price of the subject.

In support of this argument, the appellant provided one recent sale in the subject's condominium complex, and six recent sales of six-flat apartment buildings located outside the subject's condominium complex. The appellant also submitted evidence showing that the sale from within the complex was not seller financed, and that sale price was \$500,000. The six buildings from outside the complex had sale prices ranging from \$308,000 to \$520,000, and, purportedly, were not seller financed.

In Cook Cnty. Bd. of Review v. Prop. Tax Appeal Bd., 403 Ill.App.3d 139 (1st Dist. 2010) (hereinafter, "Crestwood"), the property consisted of an apartment/condominium complex with 154 buildings, each containing six units. Id. at 140. Twenty-four of the buildings were subdivided into individual condominium units, and each unit received an individual PIN for tax assessment purposes. Id. Thus, there were 130 apartment buildings with six units each, and 144 individual condominium units, which were all contained within 24 buildings. Id. At the hearing before the Board, extensive testimony was given by both the complex's manager and the board of review analyst regarding the similarities between the 154 buildings. Id. at 141-42. The Illinois Appellate Court upheld the Board's decision to reduce the apartment buildings' assessments to the assessment of the condominium buildings, because the buildings were nearly identical in physical characteristics, despite their differing legal makeup. Id. at 145-46. Thus, there is precedent for finding condominium buildings and apartment buildings similar, and reducing an assessment based on those similarities.

However, the instant appeal differs from Crestwood in one key element. As pointed out by the board of review analyst at hearing, the appellant's sales comparables which are located outside the subject's complex do not include any descriptive information. It is simply stated that they are six-flat apartment buildings. Thus, these sales cannot be adequately compared to the subject.

The Board is also not persuaded that the comparable submitted by the appellant that is located within the subject's complex warrants a downward adjustment to the other two comparables' purchase prices. In essence, there are two seller financed transactions involving the same parties for approximately the same price, as well as another sale transaction with traditional financing, different parties, and a lower purchase price. The Board is not persuaded that one purchase price that did not include seller financing is enough to show, by a preponderance of the evidence, that two other sale transactions included a premium because they included seller financing.

In determining the subject's correct assessment, the Board will take the subject's adjusted market value, which the Board finds to be \$570,000 based on the similar sales comparables submitted by the appellant, and divide it by the subject's combined percentage of ownership of 4.1667%, which results in a total

value for the condominium complex of \$13,679,891.<sup>1</sup> The Board will then multiply this figure by each of the subject's individual percentage of ownerships, which results in a market value of \$98,057 for each of the PINs ending in -1068 through -1072, and \$79,713 for PIN -1067. These market values were then multiplied by the 2009 three year average median level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 8.90% to arrive at a final value for the subject's assessment. 86 Ill.Admin.Code §1910.50(c)(2).

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<sup>1</sup> The Board notes that this market value for the subject's condominium complex is different than the market values established in Docket Nos. 09-26979 and 09-26983, which both involve other buildings within the complex, and are for the same tax year. The hearing for the instant appeal and the hearing for Docket Nos. 09-26979 and 09-26983 were held on the same day, before the same administrative law judge. However, "[t]he Board shall make a decision in **each** appeal or case appealed to it, and the decision shall be based upon equity and **the weight of evidence** and not upon constructive fraud, and shall be binding upon appellant and officials of government." 35 ILCS 200/16-185 (emphasis added). Thus, each appeal must be decided upon the evidence presented to the Board, and that evidence must be weighed accordingly. Docket No. 09-26979 and Docket No. 09-26983 both involved a recent sale of the subject properties in those particular appeals, while the instant appeal involved sales comparables. Thus, the Board accorded weight to the recent sales of the subjects in Docket Nos. 09-26979 and 09-26983. In the instant appeal, the Board rested its decision on the sales comparables submitted by the appellant, which resulted in a different finding of market value. Based on the Board's charge to make a decision in **each appeal upon the weight of the evidence presented in that appeal**, the Board does not consider these three decisions to be contrary to each other.

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.



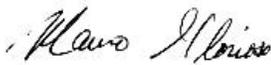
Chairman



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: June 20, 2014



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.