



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

APPELLANT: David Zerlin
DOCKET NO.: 10-34773.001-R-1
PARCEL NO.: 14-32-403-020-0000

The parties of record before the Property Tax Appeal Board are David Zerlin, the appellant, by attorney Arnold G. Siegel of Siegel & Callahan, 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:

LAND: \$18,000
IMPR.: \$13,737
TOTAL: \$31,737

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with a two-story multi-family structure of frame construction containing 1,216 square feet of building area and consisting of two, one-bedroom, one-bathroom apartment units. The building is 122 years old. Features include a full unfinished basement. The property has a 2,400 square foot site and is located in Chicago, North Chicago Township, Cook County.

The appellant's appeal is based on overvaluation. In support of this argument the appellant submitted a letter from the appraisers along with an appraisal estimating the subject property had a market value of \$355,000 as of January 1, 2009. The appraisal was prepared by Robert S. Kang and Mitchell J. Perlow, both of whom are State of Illinois Certified General Real Estate Appraisers. In addition, Perlow has the MAI (Member of the Appraisal Institute) designation. In the appraisers' letter, they state in pertinent part:

. . . we have re-opened our file for the subject property and that upon analysis of sales of similar

type property and other related market data, if asked to complete an appraisal report, we are of the preliminary opinion that the subject would have a value as of January 1, 2010 substantially the same as the indicated value in our previous report . . . This letter should be considered as an addendum to the previous report and in no way should be construed as an independent appraisal.

As set forth in the appraisal report, in estimating the market value of the subject property the appraisers developed the sales comparison approach to value. Although both the cost and income capitalization approaches to value are customary methods of evaluation, those methods were "omitted at the specific request of the client as it was determined that the most relevant approach for this type of property was the Sales Comparison Approach."

The appraisers described that the subject building has not been maintained over the years and is in "extremely poor condition [due] to the advanced deterioration of the physical structure and lack of maintenance." (Appraisal report, p. 4; see also five photographs) In addition, the appraisers noted the kitchen and bathrooms were small and out of date by today's standards and the entire building was extremely dated, in poor condition and "is in far inferior condition as compared to similar properties in the immediate vicinity." (Appraisal report, p. 23)

Using the sales comparison approach the appraisers provided information on five comparable sales "in a similar general area and on similar streets as the subject property" according to the appraisers. The comparables are described as three-story multi-family buildings of frame, masonry or frame and masonry construction that range in size from 2,100 to 4,943 square feet of living area. The buildings were constructed from 1878 to 1908. The comparables have three or four apartment units each that are from 1-bedroom, one-bath up to 4-bedroom, three-bath styles. No other descriptive characteristics were provided in the appraisal report. These comparables have sites ranging in size from 1,959 to 3,475 square feet of land area. The comparables sold from July 2008 to December 2009 for prices ranging from \$615,000 to \$1,065,000 or from \$171.96 to \$300.00 per square foot of building area, including land, or from \$205,000 to \$355,000 per apartment unit, including land. The appraisers also reported that each of the comparable sales was in "superior condition" to the subject property.

After making adjustments to the comparables for differences from the subject in age/condition, building size and/or lot coverage ratio, the appraisers opined an indicated value for the subject bracketed between \$280.00 and \$300.00 per square foot. Thus, based on this data and analysis, the appraisers estimated the subject had an estimated value under the sales comparison approach of \$290.00 per square foot of building area or a total

value of \$355,000, rounded, or \$177,500 per apartment unit, including land.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value at the median level of assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of \$47,135 was disclosed. The subject's assessment reflects a market value of \$527,237 or \$433.58 per square foot of living area, including land, or \$263,619 per apartment unit, including land, when applying the 2010 three year average median level of assessments for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 8.94% as determined by the Illinois Department of Revenue.

In support of the subject's assessment the board of review submitted a grid analysis of four equity comparables. As the equity data is not responsive to the appellant's overvaluation appeal, this data will not be further examined on the record.

In addition, the board of review submitted a listing of 20 sales that are reportedly Class 11 (2 to 4 apartments) over 48 years old within neighborhood 74012 of North Chicago Township. The sales occurred between May 1990 and June 2010 for prices ranging from \$319,000 to \$1,037,500. The properties are listed by parcel identification number. There is no descriptive information for any of these properties.

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

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.

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. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); 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 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 appraisal of the subject property submitted by the appellant. The appellant's appraisers developed the sales comparison approach to value and the sales utilized by the appraisers were similar to the subject in location, size, style, exterior

construction, features, age and/or land area. The appraisers also adjusted the comparables for differences from the subject in age/condition, building size and/or lot coverage ratio. Additionally, the appraised value of the subject property of \$355,000 is below the market value reflected by the assessment of the subject property of \$527,237.

The board of review provided no substantive market value evidence to refute the sales and/or value conclusion contained within the appellant's appraisal report. The listing of 20 sales provided by the board of review lacks the descriptive characteristics necessary to engage in any meaningful analysis of the data and thus, this information has been given no weight in the Board's analysis.

Based on this record the Board finds the appellant's appraisal presents the best and only substantive market value evidence in the record and further finds that the subject property had a market value of \$355,000 as of January 1, 2010. Since market value has been determined the 2010 three year average median level of assessments for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 8.94% shall apply. (86 Ill.Admin.Code §1910.50(c)(2)).

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

Member

Mark Morris

Member

Member

[Signature]

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: April 18, 2014

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.