FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: John Shannon
DOCKET NO.: 10-34942.001-R-1
PARCEL NO.: 14-33-329-013-0000

The parties of record before the Property Tax Appeal Board are John Shannon, the appellant, by attorney Adam E. Bossov of the Law Offices of Adam E. Bossov, 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:	$14,760
IMPR.:	$52,740
TOTAL:	$67,500

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property is improved with two buildings on one parcel. Each building is a 90-year-old, two-story frame multi-family dwelling that contains two apartment units each and approximately 1,222 square feet of building area. Each building has a partial unfinished basement. The property is located in Chicago, North Chicago Township, Cook County.

According to the assessing officials, one building has been classified as a class 2-11 apartment building with 2 to 6 units, any age, under the Cook County Real Property Assessment Classification Ordinance (hereinafter "Ordinance"). The second building has been classified as a single-family, class 2-05 dwelling consisting of a two or more story residence, over 62 years old and up to 2,200 square feet, under the Ordinance.

The appellant, through counsel, submitted evidence that the subject's fair market value is not accurately reflected in its assessment. In support of this argument, the appellant offered an appraisal prepared by Timothy Andres which was supervised by Hal London, a State certified real estate appraiser. The report depicts that the subject property had an estimated market value of $675,000 as of January 1, 2009. The property rights appraised were fee simple. The appraiser prepared the cost, sales comparison and income approaches to value to arrive at a value conclusion.

In the cost approach, the appraiser estimated a land value of $550,000 derived from sales of similarly zoned "tear down" land parcels in Lincoln Park. The appraiser used cost and depreciation factors from Marshall & Swift Valuation Service and Key Appraisals' knowledge of local construction costs to determine the estimated replacement cost new of the improvements of $212,580. Physical depreciation was estimated at $63,800 based on an effective age of 26 to 28 years and a remaining economic life for a depreciated value of the improvements of $148,806. To this figure the "as is" value of site improvements of $5,000 was added along with the land value estimate for an indicated value under the cost approach of $703,800, rounded.

For the sales comparison approach, the appraiser used sales of four suggested comparable properties that were from .14 to 1.61 of a mile from the subject. The comparables were described as four-unit apartment buildings of frame or brick exterior construction. The buildings were 118 to 131 years old and ranged in size from 2,420 to 7,424 square feet of living area. Each comparable has a full or partial basement, two of which are finished as apartments. Three of the comparables have air conditioning and one has a 2-car garage while another has four-car parking in the rear. The appraiser reported the comparables sold between January and September 2008 for prices ranging from $740,000 to $1,735,000 or from $211.10 to $305.80 per square foot of living area, including land, or from $185,000 to $433,750 per apartment unit, including land.

In comparing the comparable properties to the subject, the appraiser made adjustments for date of sale, unit differences, air conditioning and/or parking. From this process, the appraiser opined adjusted sales prices ranging from $649,525 to $873,850 or from $116.51 to $289.46 per square foot of living area including land, or from $162,381 to $218,463 per apartment unit, including land.

In order to analyze the subject's contract rents, the appraiser reported three rental comparables located within 1.25-miles of the subject property in Lincoln Park. The comparables were described as three unit buildings which were built in 1879 or 1895. The appraiser also included monthly rental data for sale comparables #2, #3 and #4 in the report. Next, based upon analysis of that rental data, the appraiser calculated a gross rent multiplier of 165. Using the income approach and the subject's gross monthly estimated rent of $4,240, the appraiser estimated the subject had a market value of $699,600.

In reconciling the three approaches to value, the appraiser gave equal weight to the sales comparison and income approaches to value in arriving at the final estimate of market value of $675,000 or $168,750 per apartment unit, including land.

Based on this evidence, the appellant requested a reduction in the subject's assessment to $67,500 which would reflect the appraised value at the appropriate Ordinance level of assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's total assessment of $85,590 was disclosed. The assessment of the subject property reflects a market value of approximately $957,383 or $239,346 per apartment unit, including land, using the 2010 three-year median level of assessments for Class 2 property in Cook County of 8.94%. (86 Ill.Admin.Code §1910.50(c)(2)(A)).

In support of the subject's estimated market value based on its assessment, the board presented two separate grid analyses of each of the subject buildings with four suggested equity comparables in each grid. The comparables consist of one, two-unit property and seven single-family dwellings. One of the single-family dwellings reveals a sale price in May 2008 of $811,000 for a 131-year-old, dwelling of frame and masonry construction that contains 1,350 square feet of living area.

Based on this evidence, the board of review requested confirmation of the subject property's estimated market value as reflected in its assessment.

In written rebuttal, counsel for the appellant noted that the board of review's evidence regarding assessment uniformity was not responsive to the appellant's overvaluation claim and should be disregarded. Furthermore, the appellant contends that the

triennial reassessment period for North Chicago Township is 2009, 2010 and 2011 and as depicted in a 2011 assessment notice, the subject parcel's assessment was reduced to $75,253 for 2011.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds it has jurisdiction over the parties and the subject matter of this appeal.

The issue before the Property Tax Appeal Board is the subject's fair market value. When overvaluation 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). 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 reviewed the record and considered the evidence, the Board concludes that the appellant has satisfied this burden.

The appellant submitted an appraisal of the subject property with a final value conclusion of $675,000 based on analysis of four sales of similar multi-unit buildings which sold within approximately two years of the assessment date at issue of January 1, 2010 with additional support from analysis of the rental income to be derived from the subject property. The board of review presented one sale of a single-family dwelling from May 2008. As this property is dissimilar to the subject multi-family dwelling it was given no weight in the Board's analysis.

Furthermore, the Property Tax Appeal Board finds that the appraiser adjusted the comparable sales for differences from the subject in order to arrive at a value conclusion whereas the board of review provided no details and no adjustments to the one sale comparable suggested in the record. In conclusion, the Property Tax Appeal Board finds that the appraisal submitted by the appellant estimating the subject's market value of $675,000 is the best evidence of the subject's market value in the record.

Based upon the market value as stated above, the Property Tax Appeal Board finds that a reduction is warranted commensurate with the appellant's request.

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: February 21, 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.