



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

APPELLANT: Stephen Stillman
DOCKET NO.: 15-22178.001-R-1 through 15-22178.002-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Stephen Stillman, the appellant, by attorney Timothy E. Moran, of Schmidt Salzman & Moran, Ltd. in Chicago; and the Cook County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** 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
15-22178.001-R-1	14-18-102-009-0000	15,498	34,764	\$50,262
15-22178.002-R-1	14-18-102-042-0000	7,749	34,764	\$42,513

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 2015 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a three-story apartment building of masonry construction with 8,221 square feet of living area. The building is 61 years old and has a slab foundation. The property has a 3,690-square foot site and is located in Chicago, Lake View Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant contends overvaluation and improvement assessment inequity as the bases of the appeal. In support of the overvaluation argument the appellant submitted an income approach to value the subject. In support of the improvement assessment inequity argument, the appellant submitted information on five comparables, none of which were located within the subject's neighborhood code. The comparables were three-story apartment buildings that ranged in age from 105 to 115 years old. The comparables had varying degrees of similarity to the subject.

The comparables had full basements, one of which was finished as an apartment. The comparables had improvement assessments ranging from \$41,939 to \$56,830 or from \$5.20 to \$6.88 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal". The subject property has a total assessment of \$92,775. The subject's assessment reflects a market value of \$927,750 or \$112.85 per square foot of building area including land, when applying the level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%. The subject has a total improvement assessment of \$69,528 or \$8.46 per square foot of building area.¹

In support of its contention of the correct assessment the board of review submitted information on four comparable properties that were located within the same neighborhood code as the subject property. The comparables were two-story or three-story apartment buildings that ranged in age from 58 to 94 years old. The comparables had varying degrees of similarity to the subject. Two comparables had full basements, one of which had finished area. The comparables had improvement assessments ranging from \$27,538 to \$76,890 or from \$9.70 to \$13.04 per square foot of building area.

Conclusion of Law

The appellant contends in part, that 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 did not meet this burden of proof and no reduction in the subject's assessment is warranted on grounds of overvaluation.

The Board finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

It is the value of the "tract or lot of real property" property which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value".

Many factors may prevent a property owner from realizing an income from property, which accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes. Id.

¹The board of review's assessment grid listed one-half of the subject's improvement assessment.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellant did not demonstrate that the subject's actual income and expenses were reflective of the market. To demonstrate or estimate the subject's market value using an income approach, as the appellant attempted, one must establish through the use of market data the market rent, vacancy and collection losses, and expenses to arrive at a net operating income. Further, the appellant must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellant did not follow this procedure in developing the income approach to value; therefore, the Property Tax Appeal Board gives this argument no weight.

The Board further finds that the income approach analysis submitted appears to have been executed by the appellant's attorney. The Board finds it problematic the fact that appellant's counsel developed the "income analysis" rather than an expert in the field of real estate valuation. The Board finds that an attorney cannot act as both an advocate for a client and also provide unbiased, objective value evidence for that client's property.

In conclusion, the Board finds no change in the assessment of the subject is warranted based on the appellant's submission due to overvaluation.

The taxpayer also contends assessment inequity as an alternative basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board finds the best evidence of assessment equity is the board of review's comparables #1 and #2. These comparables were most similar to the subject location, story-height, age, size and most features. These comparables had improvement assessments of \$69,398 and \$76,890 or \$9.74 and \$9.70 per square foot of living area, respectively. The subject's total improvement assessment of \$69,528 or \$8.46 per square foot of living area is supported by the best comparables in this record. The Board gave less weight to the parties' remaining comparables due to their older ages, dissimilar story-height and/or smaller sizes when compared to the subject. Based on this record the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is not justified.

The constitutional provision for uniformity of taxation and valuation does not require mathematical equality. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill.2d 395 (1960). Although the comparables presented by the parties disclosed that the properties located in the same area are not assessed at identical levels, all that the constitution requires is a practical uniformity, which appears to exist on the basis of the evidence.

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. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



Member

DISSENTING: _____

CERTIFICATION

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 17, 2018



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 or years of the same general assessment period, as provided in Sections 9-125 through 9-225, 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 such subsequent year or years 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 OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

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.

PARTIES OF RECORD

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