



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

APPELLANT: Michael Forchione  
DOCKET NO.: 15-35992.001-R-1  
PARCEL NO.: 14-32-206-040-0000

The parties of record before the Property Tax Appeal Board are Michael Forchione, the appellant(s), by attorney Michael T. Reynolds, of Rieff Schramm Kanter & Guttman 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 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:** \$7,515  
**IMPR.:** \$21,985  
**TOTAL:** \$29,500

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 is a 44 year-old, two-story dwelling of masonry construction containing 865 square feet of living area. Features of the home include a full basement finished with a recreation room. The property has an 835 square foot site located in North Chicago Township, Cook County. The property is a class 2 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant's appeal is based on overvaluation and assessment inequity. In support of the overvaluation argument, the appellant submitted a settlement statement disclosing the subject property was purchased from Well Fargo Bank on August 25, 2014 for \$295,000. The settlement statement included a line item for a referral fee paid to REO Management, LLC. The subject's sale price reflects a market value of \$341.04 per square foot of living area including land. The appellant also submitted a Special Warranty Deed. The appellant disclosed

incomplete information in Section IV–Recent Sale Data of the Residential Appeal that the subject was not transferred between related parties. In support of the assessment inequity argument, the appellant submitted information on four suggested equity comparables. The record does not disclose whether the subject was owner-occupied in the 2015 lien year. The appellant requested a total assessment reduction to \$29,500.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$42,011. The subject property has an improvement assessment of \$34,496, or \$39.88 per square foot of living area. The subject's assessment reflects a market value of \$420,110, or \$485.68 per square foot of living area including land, when applying the 2015 level of assessment of 10.00% for Class 2 property under the Cook County Real Property Assessment Classification Ordinance. In support of its contention of the correct assessment, the board of review submitted information on four suggested equity comparables and on four suggested sale comparables.

In rebuttal, the appellant argued that the equity comparables submitted as evidence by the board of review were assessed lower than the subject. The appellant reaffirmed the request for an assessment reduction.

### **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.

In addressing the appellant's market value argument, the Board finds that the sale of the subject in August 2014 for \$295,000 is a "compulsory sale." The evidence disclosed that the subject was sold as "REO" property. REO is an abbreviation for "real estate owned." Black's Law Dictionary, "REO" (10<sup>th</sup> ed. 2014). Real Estate Owned is defined as "Property acquired by a lender, usu. through foreclosure, in satisfaction of a debt. - Abbr. REO." Black's Law Dictionary, "real estate owned" (10<sup>th</sup> ed. 2014). A "compulsory sale" is defined as:

- (i) the sale of real estate for less than the amount owed to the mortgage lender or mortgagor, if the lender or mortgagor has agreed to the sale, commonly referred to as a "short sale" and
- (ii) the first sale of real estate owned by a financial institution as a result of a judgment of foreclosure, transfer pursuant to a deed in lieu of foreclosure, or consent judgment, occurring after the foreclosure proceeding is complete.

35 ILCS 200/1-23. Real property in Illinois must be assessed at its fair cash value, which can only be estimated absent any compulsion on either party.

Illinois law requires that all real property be valued at its fair cash value, estimated at the price it would bring at a fair voluntary sale where the owner is

ready, willing, and able to sell but not compelled to do so, and the buyer is likewise ready, willing, and able to buy, but is not forced to do so.

Bd. of Educ. of Meridian Cmty. Unit Sch. Dist. No. 223 v. Ill. Prop. Tax Appeal Bd., 961 N.E. 2d 794, 802 (2d Dist. 2011) (citing Chrysler Corp. v. Ill. Prop. Tax Appeal Bd., 69 Ill. App. 3d 207, 211 (2d Dist. 1979)).

However, when there was a recent sale of the subject, and that sale was compulsory, the Board may consider evidence which would show whether the sale price was representative of the subject's fair cash value. The Illinois General Assembly recently provided clear guidance for the Board regarding compulsory sales. Section 16-183 of the Illinois Property Tax Code states as follows:

The Property Tax Appeal Board shall consider compulsory sales of comparable properties for the purpose of revising and correcting assessments, including those compulsory sales of comparable properties submitted by the taxpayer.

35 ILCS 200/16-183.

In determining the fair market value of the subject property, the Board may look to other evidence presented by the parties. Although the appellant's recent sale appears to have been a compulsory sale, it does reflect the fair market value based upon an analysis of recent sales of comparable properties. The Board finds the board of review sale comparables #1, #2, #3 and #4 set the range of market value for the subject. They ranged from \$285.16 to \$351.56 per square foot of living area including land. The subject's assessment reflects a market value of \$485.88 per square foot of living area, including land, which is above the range established by the best comparable sales in this record. However, the subject's sale price reflects a market value of \$341.04 per square foot of living area, including land, which is within the range established by the best comparable sales in the record. Since the sale price of the subject was below the market value reflected by the assessment but within the range of the best sale comparables in the record, the Board finds that the subject is overvalued and holds that a reduction is warranted. As a result, the Board finds the subject property is equitably assessed, thereby obviating the need to rule on the appellant's assessment inequity argument.

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(b) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(b)) 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



Acting 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: January 16, 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

AGENCY

State of Illinois  
Property Tax Appeal Board  
William G. Stratton Building, Room 402  
401 South Spring Street  
Springfield, IL 62706-4001

APPELLANT

Michael Forchione, by attorney:  
Michael T. Reynolds  
Rieff Schramm Kanter & Guttman  
100 North LaSalle Street  
23rd Floor  
Chicago, IL 60602

COUNTY

Cook County Board of Review  
County Building, Room 601  
118 North Clark Street  
Chicago, IL 60602