



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

APPELLANT: George Lau  
DOCKET NO.: 16-37223.001-R-1  
PARCEL NO.: 16-14-411-030-0000

The parties of record before the Property Tax Appeal Board are George Lau, the appellant(s), by attorney Joanne Elliott, of Elliott & Associates, P.C. in Des Plaines; 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:

**LAND:** \$4,370  
**IMPR.:** \$17,421  
**TOTAL:** \$21,791

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 2016 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 two-story, apartment building of masonry construction containing 3,268 square feet of building area. The dwelling was constructed in 1904. The property has a 4,162 square foot site and is located in Chicago, West Chicago Township, Cook County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument, the appellant submitted evidence showing that the subject sold on June 24, 2014 for \$33,000. This evidence included a copy of the deed, the settlement statement, and affidavit of title. The appellant's pleadings regarding Section IV- Recent Sale Data confirmed: the closing date; sale price; the parties to the transaction were not related; that the subject was a private sale; and that the seller's mortgage was not assumed. The appellant also requested vacancy relief due to the subject's gut rehab and 100% vacancy in 2016. In support, the appellant submitted a vacancy

occupancy affidavit and exterior photographs of the subject. Based on this evidence, the appellant requested a reduction in the subject's assessment to \$3,300.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$21,791. The subject's assessment reflects a market value of \$217,910 or \$66.68 per square foot of living area, including land, when applying the 2016 level of assessment for class 2-11 property under the Cook County Real Property Assessment Classification Ordinance of 10%. The board of review submitted four sale comparables.

The board of review also submitted a brief in which it argued the subject's sale was compulsory and it was not at arm's-length for fair cash value. The board of review appended a deed trail to the brief disclosing a lis pendens was recorded against the subject in 2014. The board of review also submitted a brief stating that the appellant's choice to renovate due to the subject's poor condition is insufficient under the Property Tax Code to mandate vacancy relief.

In rebuttal, the appellant submitted a 2015 and 2017 decision letters from the board of review.

### **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).

In addressing the appellant's market value argument, the Board finds that the sale of the subject in June 2014 for \$33,000 is a "compulsory sale." The evidence disclosed the subject was a foreclosure sale. 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.

Board of Educ. of Meridian Community Unit School Dist. No. 223 v. Illinois Property Tax Appeal Board, 961 N.E.2d 794, 802, 356 Ill.Dec. 405, 413 (2d Dist. 2011) citing Chrysler Corp. v. Illinois Property Tax Appeal Board, 69 Ill.App.3d 207, 211 387 N.E.2d 351 (2d Dist. 1979)).

However, the Illinois General Assembly recently provided very clear guidance for the Board with regards to compulsory sales. Section 16-183 of the Illinois Property Tax Code states as follows:

The Property Tax Appeal Board shall consider compulsory sales of the 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. Therefore, the Board is statutorily required to consider the compulsory sale of comparable properties submitted by the parties to revise and/or correct the subject's assessment.

The evidence submitted disclosed the subject's sale was a compulsory sale. In determining the fair market value of the subject property, the Board looks to the evidence presented by the parties. The Board finds the board of review's comparables set the range of market value for the subject. The comparables sold from April 2015 to September 2016 prices ranging from \$69.18 to \$79.74 per square foot of living area, including land. These comparables are similar in sale date, construction, size, age, and location. The subject's assessment reflects a market value of \$66.68 per square foot of living area, including land, which is within the range established by the best comparable sales in this record. Accordingly, in determining the fair market value of the subject property, the Board finds that the appellant did not submit sufficient evidence to show the subject was overvalued. Therefore, the Board finds that the appellant has not met its burden by a preponderance of the evidence and that the subject does not warrant a reduction per the appellant's requested amount based upon the market data submitted into evidence.

The appellant submitted a documentation showing the vacancy and income of the subject property. The Board gives the appellant's argument little weight. In Springfield Marine Bank v. Prop.Tax Appeal Bd., 44 Ill.2d 428 91970), the Illinois Supreme Court stated:

[I]t is clearly the value of the "tract or lot of real 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 that 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. At 431.

As the Court stated, actual vacancy, income, and expenses can be useful when shown that they are reflective of the market. Although the appellant made this argument, the appellant did not demonstrate, through an expert in real estate valuation, that the subject's actual vacancy, income, and expenses are reflective of the market. To demonstrate or estimate the subject's market value using vacancy, income, and expenses 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 reflective of the market and the property's capacity for earning income. The mere assertion that vacancies in a property exist, does not constitute proof that the fair market value of a property is negatively impacted. There was no showing that the subject's market value was impacted by its vacancy during 2016. Furthermore, the appellant failed to show that the subject was not uninhabitable or unfit for occupancy. The appellant merely stated that the subject was vacant and a gut rehab and did not provide any evidence as to why it was uninhabitable. The photographs submitted did not show that the subject was uninhabitable. The appellant did not provide such evidence and therefore, the Board gives this argument no weight.

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

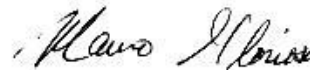
Member

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: May 26, 2020



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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