



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

APPELLANT: Anthony Gaudio  
DOCKET NO.: 17-36265.001-R-1  
PARCEL NO.: 24-14-315-021-0000

The parties of record before the Property Tax Appeal Board are Anthony Gaudio, the appellant(s), by attorney Robert J. Paul, Attorney at Law 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:** \$ 5,185  
**IMPR.:** \$30,174  
**TOTAL:** \$35,359

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 2017 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 is situated on a 6,100 square foot parcel of land that is improved with a 56+-year old, two-story, masonry, mixed-use building with 4,911 square feet of building area. It contains one commercial unit and two apartment units. It is located in Lake Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance and is assessed at 10% of fair market value. The appellant argued that the fair market value of the subject property was not accurately reflected in its assessed value as the basis of this appeal.

In support of the market value argument, the appellant submitted an appraisal report for the subject property prepared by Mark Ruchti, a Certified General Real Estate Appraiser. The subject was inspected on November 30, 2015 with an effective date of January 1, 2015. The appraiser estimated a fair market value for the subject of \$290,000 based on the cost, income,

and sales comparison approaches to value. Mr. Ruchti conducted an inspection of the subject and was also the signatory on the report. The appraiser determined that the highest and best use of the subject property, as improved, is for continued use as a mixed-use building. Based on this evidence, the appellant requested a reduction in the subject's assessment.

Under the cost approach to value, the appraiser determined a land value of \$8.00 psf, but provided no evidence of such. Using the Marshall and Swift Publication Company's Marshall Valuation Service, he determined a total value for the subject property under the cost approach to be \$330,000 (rounded).

Under the income approach to value the appraiser failed to provide any rental comparable buildings. Instead he listed the subject's potential gross income based on unsupplied research, failing to provide any descriptive data building data for the comparables, including but not limited to: construction, amenities, age, building size, total number of units in the building, and PINs associated with the comparables. The appraiser determined the subject's potential gross income to be \$54,600. He then deducted an unsupported 10% for vacancy loss to establish an effective gross income for the subject of \$49,140. Next, the appraiser presented projected expenses which totaled 24% of PGI to estimate a net operating income for the subject property of \$36,140.

A capitalization rate of 10.0% was used to determine the subject's market value based on the income approach to value, with supporting data retained in the appraiser's files. After applying a tax load of 1.86%, a loaded cap rate of 11.86% was calculated and divided into the net operating income to arrive at an estimate of value under the income approach of \$305,000.

Under the sales comparison approach, the appraiser analyzed the sales of three mixed-use properties and two buildings that were listed for sale. The sales occurred in 2013, 2014 and 2015. Only two of the suggested comparables were located in Chicago, as was the subject property. The sale that occurred in 2013 was three times the size of the subject property. After making adjustments, the appraiser then arrived at a market value under the sales approach of \$265,000, or \$54.00 per square foot, including land.

In reconciling the three approaches to value, the appraiser noted that he placed primary consideration on the income and sales comparison approaches to value. He then arrived at a final estimate of value for the subject as of January 1, 2015 of \$290,000, or \$59 psf, including land.

The Cook County Board of Review submitted it "Board of Review-Notes on Appeal," wherein the subject's final assessment of \$36,954 was disclosed. The subject's assessment reflects a market value of \$369,540, or \$75.25 per square foot of building area, including land, when applying the 2017 statutory level of assessment under the Cook County Real Property Assessment Classification Ordinance of 10%.

In support of the subject's assessment, the board of review submitted sales data for four mixed-use buildings, all of which were located within Lake township in Chicago, with comparables #1 and #2 being located in the subject's neighborhood. The comparables ranged from 3,030 to 5,989 in square feet of building area, and sold between January 2014 and October 2016 for sale prices

ranging from \$60,000 to \$325,000, or from \$19.80 to \$73.00 per square foot, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

### **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 met this burden of proof and a reduction in the subject's assessment is warranted.

The Board finds that the cost and income approaches in the appraisal are unpersuasive and flawed as the appraiser's conclusions are unsupported by any data whatsoever.

The Board finds the sales comparison approach flawed as well for the appraiser relied on two properties that were listed for sale. Of the three remaining comparables that actually sold, only one of those was located in Chicago. Additionally, comparable #5 sold in 2013 which is too distant in time from the January 1, 2017 valuation date to be reflective of the subject's current market value. As a result of the flawed appraisal work, the Board gives no weight to the appraiser's final value conclusion.

The Board notes, however, that the sale comparables in the appellant's appraisal are in evidence, along with the sales submitted by the board of review. The Board finds that the appellant's sale comparable #2, as well as the board of review's comparables #1 and #2, were most similar to the subject property in size, location, construction, design and sold at a time proximate to the January 1, 2017 valuation date. These three unadjusted sale comparables ranged in value from \$43.17 to \$73.00 per square foot, including land. The subject's current assessment reflects a market value of \$75.25 per square foot, including land, which is slightly above the range of the best comparables contained in the record.

Accordingly, in determining the fair market value of the subject property, the Board finds that the appellant submitted sufficient evidence to show the subject was slightly overvalued. As such, the Board finds that the appellant has met its burden by a preponderance of the evidence and that the subject does warrant a reduction based upon the market data submitted into 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: August 24, 2021



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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