



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

APPELLANT: Asbury Arms, LLC
DOCKET NO.: 19-21299.001-R-3 through 19-21299.068-R-3
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Asbury Arms, LLC, the appellant(s), by attorney Daniel Pappano, of Zwelling Law, PLLC in Chicago; the Cook County Board of Review; the Evanston-Skokie C.C.S.D. #65 intervenor, by attorney Ares G. Dalianis of Franczek P.C. in Chicago.

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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
19-21299.001-R-3	10-25-215-030-1001	575	11,293	\$11,868
19-21299.002-R-3	10-25-215-030-1002	575	11,293	\$11,868
19-21299.003-R-3	10-25-215-030-1003	575	11,293	\$11,868
19-21299.004-R-3	10-25-215-030-1004	575	11,293	\$11,868
19-21299.005-R-3	10-25-215-030-1005	493	9,688	\$10,181
19-21299.006-R-3	10-25-215-030-1006	493	9,688	\$10,181
19-21299.007-R-3	10-25-215-030-1007	493	9,688	\$10,181
19-21299.008-R-3	10-25-215-030-1008	469	9,211	\$9,680
19-21299.009-R-3	10-25-215-030-1009	469	9,211	\$9,680
19-21299.010-R-3	10-25-215-030-1010	469	9,211	\$9,680
19-21299.011-R-3	10-25-215-030-1011	469	9,211	\$9,680
19-21299.012-R-3	10-25-215-030-1012	493	9,688	\$10,181
19-21299.013-R-3	10-25-215-030-1013	493	9,688	\$10,181
19-21299.014-R-3	10-25-215-030-1014	493	9,688	\$10,181
19-21299.015-R-3	10-25-215-030-1015	493	9,688	\$10,181
19-21299.016-R-3	10-25-215-030-1016	493	9,688	\$10,181
19-21299.017-R-3	10-25-215-030-1017	493	9,688	\$10,181
19-21299.018-R-3	10-25-215-030-1018	493	9,688	\$10,181
19-21299.019-R-3	10-25-215-030-1019	493	9,688	\$10,181
19-21299.020-R-3	10-25-215-030-1020	493	9,688	\$10,181
19-21299.021-R-3	10-25-215-030-1021	493	9,688	\$10,181
19-21299.022-R-3	10-25-215-030-1022	493	9,688	\$10,181
19-21299.023-R-3	10-25-215-030-1023	493	9,688	\$10,181
19-21299.024-R-3	10-25-215-030-1024	469	9,211	\$9,680

19-21299.025-R-3	10-25-215-030-1025	469	9,211	\$9,680
19-21299.026-R-3	10-25-215-030-1026	469	9,211	\$9,680
19-21299.027-R-3	10-25-215-030-1027	469	9,211	\$9,680
19-21299.028-R-3	10-25-215-030-1028	493	9,688	\$10,181
19-21299.029-R-3	10-25-215-030-1029	493	9,688	\$10,181
19-21299.030-R-3	10-25-215-030-1030	493	9,688	\$10,181
19-21299.031-R-3	10-25-215-030-1031	575	11,293	\$11,868
19-21299.032-R-3	10-25-215-030-1032	575	11,293	\$11,868
19-21299.033-R-3	10-25-215-030-1033	575	11,293	\$11,868
19-21299.034-R-3	10-25-215-030-1034	575	11,293	\$11,868
19-21299.035-R-3	10-25-215-030-1035	60	1,189	\$1,249
19-21299.036-R-3	10-25-215-030-1036	60	1,189	\$1,249
19-21299.037-R-3	10-25-215-030-1037	60	1,189	\$1,249
19-21299.038-R-3	10-25-215-030-1038	60	1,189	\$1,249
19-21299.039-R-3	10-25-215-030-1039	60	1,189	\$1,249
19-21299.040-R-3	10-25-215-030-1040	60	1,189	\$1,249
19-21299.041-R-3	10-25-215-030-1041	60	1,189	\$1,249
19-21299.042-R-3	10-25-215-030-1042	60	1,189	\$1,249
19-21299.043-R-3	10-25-215-030-1043	60	1,189	\$1,249
19-21299.044-R-3	10-25-215-030-1044	60	1,189	\$1,249
19-21299.045-R-3	10-25-215-030-1045	60	1,189	\$1,249
19-21299.046-R-3	10-25-215-030-1046	60	1,189	\$1,249
19-21299.047-R-3	10-25-215-030-1047	60	1,189	\$1,249
19-21299.048-R-3	10-25-215-030-1048	60	1,189	\$1,249
19-21299.049-R-3	10-25-215-030-1049	60	1,189	\$1,249
19-21299.050-R-3	10-25-215-030-1050	60	1,189	\$1,249
19-21299.051-R-3	10-25-215-030-1051	60	1,189	\$1,249
19-21299.052-R-3	10-25-215-030-1052	30	595	\$625
19-21299.053-R-3	10-25-215-030-1053	30	595	\$625
19-21299.054-R-3	10-25-215-030-1054	30	595	\$625
19-21299.055-R-3	10-25-215-030-1055	30	595	\$625
19-21299.056-R-3	10-25-215-030-1056	30	595	\$625
19-21299.057-R-3	10-25-215-030-1057	30	595	\$625
19-21299.058-R-3	10-25-215-030-1058	30	595	\$625
19-21299.059-R-3	10-25-215-030-1059	30	595	\$625
19-21299.060-R-3	10-25-215-030-1060	30	595	\$625
19-21299.061-R-3	10-25-215-030-1061	30	595	\$625
19-21299.062-R-3	10-25-215-030-1062	30	595	\$625
19-21299.063-R-3	10-25-215-030-1063	30	595	\$625
19-21299.064-R-3	10-25-215-030-1064	30	595	\$625
19-21299.065-R-3	10-25-215-030-1065	30	595	\$625
19-21299.066-R-3	10-25-215-030-1066	30	595	\$625
19-21299.067-R-3	10-25-215-030-1067	30	595	\$625
19-21299.068-R-3	10-25-215-030-1068	30	595	\$625

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 2019 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 located at 222-240 Asbury Avenue, Evanston, Cook County, Illinois. The subject contains 23,271 square feet and has 34 residential units, classified as a class 2-99 residential condominium, later deconverted to apartments. Constructed in 1957, the building is situated on a site measuring 22,105 square feet. The property includes both 17 underground and 17 outdoor parking spaces, laundry facilities, and a rear wooden porch and stairway system.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal estimating the subject property had a market value of \$3,875,000 as of January 1, 2019. The appraisal was signed by William L. Shulman, Certified General Real Estate Appraiser and Mitchell J. Perlow, MAI, of Property Valuation Services ("PVS"). The appraisal was marked "Appellant's Exhibit 1". In addition to the overvaluation argument, the appellant contends that the subject property was not equitably assessed. In support of this contention, the appellant submitted assessment information for 16 comparable properties.

The subject is a condominium deconversion. It sold in June 2018 as part of a 1031 exchange for a price of \$4,850,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$529,784. The subject's assessment reflects a market value of \$5,297,840, including land, when applying the 2019 level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10%.

In support of its contention of the correct assessment the board of review submitted a condominium sales analysis based on recent sales within the subject. The recent sales totaled \$4,761,136. Because these units were sold in bulk, the board of review applied a 12.50% adjustment and concluded the subject's fair market value was \$5,326,278. Using an assessment ratio of 10%, the total assessment should be \$535,628.

The Intervenor submitted a technical appraisal review report of the appellant's appraisal. It was prepared by Eric Dost, MAI, AI-GRS. Based on this report, the Intervenor requested a "No Change" in the subject's assessment.

Hearing

A virtual hearing was conducted on July 30, 2024. Testimony and evidence was presented by the parties.

Appellant's Case In Chief

Prior to the hearing the appellant emailed an aerial image of the Cook County GIS system overlay of tax parcel information. The image was accepted into evidence and marked "Appellant's Exhibit #2". The image shows appellant's comparables #4 and #10 are located across the street from the subject and are Cook County Assessor Class 3-15 apartment buildings. The appellant submitted property record cards for the comparable properties and argued the comparable properties are similar to the subject. The intervenor argued there was insufficient evidence submitted regarding the comparables, such as unit mix, parking, laundry facilities, and whether they are affordable housing complexes. The appellant stated the assessor's class of the comparable properties is not as important as the use of the comparables, citing In re Application of Cook County Collector 136 Ill.App.3rd 496.

The appellant submitted assessment data for 16 properties suggested as comparable to the subject to demonstrate the subject is inequitably assessed. The appellant requested the Board consider all the comparables, especially comparables #4 and #10.

The appellant presented his witness, William Shulman who reviewed his education and experience as an appraiser. Based on this testimony, the Administrative Law Judge ("ALJ") accepted Mr. Shulman as an expert, without objection.

Mr. Shulman described the subject property and stated he was provided a rent roll and determined the subject building was a rental apartment building and not a class 2-99 condominium building as indicated by the Cook County Assessor's records. The appellant purchased 100% of the deconverted condominium building for a price of \$4,800,000. Mr. Shulman testified a typical deconversion involves a buyer purchasing all units at a premium price.

The appraiser testified about his appraisal and valuation methodologies. His appraisal relied on two approaches to value: the income capitalization approach and the sales comparison approach. The cost approach was not utilized due to the speculative nature of estimating depreciation for an older property.

Under the income capitalization approach, the appraiser utilized actual rental income verified against market rates. Expenses were deducted based on market data from the Institute of Real Estate Management. A capitalization rate of 8.78% was applied. Dividing the subject's net operating income of \$341,325 by the capitalization rate produced a fair market value of \$3,887,528, rounded to \$3,890,000.

The sales comparison approach analyzed six comparable properties located in Evanston and Skokie. After adjustments for differences in size, location, and condition, the appraisal concluded a fee simple value for the subject property of \$3,840,000.

The income and sales approaches to value were reconciled to an overall opinion of market value of \$3,875,000.

Cross Examination of Mr. Shulman

The Intervenor cross-examined Mr. Shulman. Upon questioning, he stated his colleague Mr. Perlow was a consulting and supervisory appraiser on the report; however, he did not “review” the appraisal as the term is used in the Uniform Standards of Professional Appraisal Practice (“USPAP”), nor did Mr. Perlow physically inspect the subject property.

With respect to the recent sale of the subject, Mr. Shuman testified he was not aware there were eight other parties interested in purchasing the subject property.

He testified a land valuation should include the highest and best use of the land as vacant as a required component under the edict of the Appraisal of Real Estate Valuation; however, he stated he did not provide this information in his report.

Upon further cross-examination, Mr. Shulman testified the appraisal’s rental comparable information was based on actual rent derived from the Multiple Listing Service (“MLS”) and that parking and laundry income was not accounted for in his report.

With regard to the sales approach valuation, he testified his analysis used a price per square foot analysis as opposed to price per unit analysis. Using the six comparable sales listed in the appraisal, the average sale price would be \$153,034 per unit, in contrast to the price per square foot analysis which would lead to an average value of \$113,971 per unit. Mr. Shulman stated he did not use averages in his analysis.

Redirect of Mr. Shulman

Upon redirect examination, Mr. Shulman stated, “highest and best use” of a property is a concept regarding the best use of a property, and not a value conclusion. His report analyzed the highest and best use of the subject property and concluded its highest and best use as vacant would be to build an apartment building consistent with zoning and neighborhood demand. In addition, the highest and best use as improved is continued use as an apartment building.

Mr. Shulman stated he received the subject’s actual rent roll and it did not include rent for parking or laundry. He stated the actual rent was consistent with the market rent.

He stated he does not use averages in his analysis, but applies adjustments on a sale by sale basis to account for differences in building age, size, location, and other factors. After adjustments, the

sale comparables had a range of \$150-\$175 per square foot, which led to a conclusion of a comparative unit value of \$165 per square foot.

Board of Review's Case In Chief

The Cook County Board of Review's representative stated the board submitted a condominium sales analysis as the subject was classified as a condominium. Based on the previously submitted condominium sales analysis, the subject is accurately assessed.

Intervenor's Case In Chief

The Intervenor's attorney argued the appellant's comparable properties do not include key information such as number of units or number of parking units. He disagreed with the appellant's characterization that the suggested comparables were in fact comparable to the subject.

The Intervenor presented Eric Dost, who stated he is an appraiser who holds the MAI and AI-GRS designations. He reviewed his education and qualifications and was admitted as an expert, without objection. He prepared a previously submitted review appraisal report that was marked Intervenor's Exhibit #1. The report reviewed the appellant's appraisal.

Mr. Dost described the subject property and stated it is located in a desirable location in Evanston. The subject was exposed to the market and sold in June 2018 for a price of \$4,825,000, or \$141,912 per unit. The sale was a condominium deconversion that turned the subject into 100% rental apartments.

The Intervenor addressed the subject's land value. Mr. Dost testified he found relevant land sales and included them in his report and stated land value is essential.

He stated the appellant's appraisal had insufficient information regarding the comparable properties. In addition, an analysis of Mr. Shulman's appraisal indicated actual rents were used, which means the appraiser was estimating a leased fee interest and not a fee simple interest. The appellant's appraiser did not include revenue sources such as laundry or parking and did not include information regarding the subject's actual expenses.

The questioning turned to a discussion of Mr. Shulman's sales analysis. Mr. Dost stated the number of parking units and laundry income for comparable properties is relevant and should be used when determining when determining market value. He noted Mr. Shulman's appraisal does not include this data.

Mr. Dost stated there is a difference between a price per square foot and a price per unit calculation as the price per square foot analysis uses gross building square footage while a price per unit analysis uses net rentable area. He stated that Mr. Shulman's analysis combined price per square foot of gross building area with price per square foot of net rentable area. Mr. Dost stated this type of analysis does not lead to a credible opinion of a subject's market value as net rentable square footage is generally smaller than a building's total square footage; therefore, it

understates the subject's market value. As such, Mr. Dost stated Mr. Shulman's appraisal does not provide a credible opinion of the subject property's market value.

Cross Examination of Mr. Dost

Mr. Dost stated an appraisal may be credible if it uses less than three approaches to value. He testified land value is not needed to arrive at a conclusion of value under the income or sales comparison approaches. He noted Mr. Shulman's appraisal applied the sale price per square foot of gross building area to the net rentable area; however, both the net and the gross square footages were approximately 23,000 square feet.

Mr. Dost testified he listed various land sales in his report to demonstrate that land sales were available. The sales were not provided as an opinion of market value. He stated it was a critical omission for an appraiser to omit them. Mr. Dost agreed that page 69 of the appellant's appraisal cites a Realtyrates.com Market Survey and although it does not contain any local data, it contains a fee simple estimate of value.

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 the best evidence of market value to be the appraisal submitted by the appellant. The Property Tax Appeal Board finds the appellant's appraisal to be the most credible and reliable evidence of the subject's market value. Mr. Shulman's analysis was thorough, employed recognized valuation methods, and appropriately considered the property's characteristics. The board finds that the fair market value of the subject property as of January 1, 2019, is \$3,875,000.

The subject's assessment reflects a market value above the best evidence of market value in the record. The Board finds the subject property had a market value of \$3,875,000 as of the assessment date at issue. Since market value has been established the 2019 level of assessment for class 2 property under the Cook County Real Property Assessment Classification Ordinance of 10% shall apply. (86 Ill.Admin.Code §1910.50(c)(2)). After this reduction, the Board finds the subject is equitably assessed.

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: March 18, 2025



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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