



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

APPELLANT: Lakefront Phase 2 LLC
DOCKET NO.: 19-30724.001-C-2 through 19-30724.015-C-2
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Lakefront Phase 2 LLC, the appellant(s), by attorney Paul J. Reilly, of Reilly & Dooley LLC 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:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
19-30724.001-C-2	20-02-115-048-0000	6,242	9,623	\$15,865
19-30724.002-C-2	20-02-115-054-0000	6,582	3,039	\$9,621
19-30724.003-C-2	20-02-115-056-0000	9,832	337	\$10,169
19-30724.004-C-2	20-02-115-061-0000	4,998	4,776	\$9,774
19-30724.005-C-2	20-02-115-063-0000	10,545	0	\$10,545
19-30724.006-C-2	20-02-115-065-0000	6,597	3,024	\$9,621
19-30724.007-C-2	20-02-115-072-0000	5,574	4,237	\$9,811
19-30724.008-C-2	20-02-115-073-0000	8,119	0	\$8,119
19-30724.009-C-2	20-02-115-074-0000	12,651	0	\$12,651
19-30724.010-C-2	20-02-118-047-0000	15,113	14,601	\$29,714
19-30724.011-C-2	20-02-118-057-0000	13,188	14,522	\$27,710
19-30724.012-C-2	20-02-118-058-0000	8,093	8,615	\$16,708
19-30724.013-C-2	20-02-118-064-0000	4,921	9,724	\$14,645
19-30724.014-C-2	20-02-127-030-0000	31,639	207,762	\$239,401
19-30724.015-C-2	20-02-118-049-0000	16,998	14,597	\$31,595

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

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 was constructed in 2013 and consists of 13 affordable housing complex buildings. Twelve of the buildings are each three-story and of masonry construction. One of the buildings is an eight-story building of masonry construction. The 13 buildings contain a total 129,219 square feet of rentable building area. The subject property was subsidized with funds from the Low-Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code and the Illinois Housing Development Authorities HOME Program. The property is located in Chicago, Hyde Park Township, Cook County. The property is a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

Appellant contends overvaluation as the basis of the appeal. In support of its argument, appellant submitted an appraisal report prepared by Joseph M. Ryan, MAI, estimating the subject property had a market value of \$5,160,000 as of January 1, 2019. The appraiser utilized both the sales comparison and income approaches. Under the sales comparison approach, the appraiser analyzed four comparable properties and determined the market value for the subject property after adjustments. Under the income approach, the appraiser analyzed four rental comparables and calculated its value of the subject property of \$5,160,000 based net operating income divided by an overall capitalization rate. The appraiser considered the strengths and weaknesses of each approach and determined the income approach was the most reliable and most comparable to the subject in the marketplace after adjustments were made. Appellant also submitted a copy of the board of review's decision letter reflecting a total assessment for the subject property of \$748,704. Based on this evidence, appellant requests the subject property's total assessment be reduced to \$516,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$748,704. The subject's assessment reflects a market value of \$7,487,040, or \$57.94 per square foot of living area, including land, when applying the level of assessments 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 three comparable properties. The comparable properties were improved with multi-family dwellings ranging from 16 to 144 units. A net operating income of \$117,697 was provided for one of the comparables. The board of review's comparables sold between 2019 and 2020 for prices ranging from \$2,275,000 to \$12,240,000.

Pursuant to proper notice provided to all parties, this matter proceeded to hearing on June 5, 2025. During the hearing, the appellant called the appraiser to testify. The appraiser testified regarding his experience and qualifications and was accepted as an expert in property valuation without objection from the parties. Mr. Ryan stated that he appraised the subject property of its market value as of January 1, 2019. Regarding his report, the appraiser testified that he reviewed fee simple property rights and valued the property as a section 42 property. He testified the income approach to value was the only appropriate method of valuation for the subject property. Mr. Ryan conducted a site inspection and conducted a highest and best use analysis for the subject property. Mr. Ryan found the subject property was not financially feasible without low income housing tax credits.

Mr. Ryan testified to the analysis utilized per the income approach. Mr. Ryan analyzed similar section 42 units located in the south side of Chicago and their average medium income. Mr. Ryan calculated the net operating expenses for the subject property of \$518,595 and then deducted for a return on personal property of \$2,500 per unit. In addition, Mr. Ryan allowed for depreciation of 50% and applied a 10% return resulting in a net operating income for the subject property of \$502,100. Mr. Ryan testified as to his research of the market to determine a capitalization rate of 7.75%. Mr. Ryan determined the fair market value of the subject property to be \$5,160,000, rounded.

On cross-examination by the board of review, the board of review questioned Mr. Ryan as to his knowledge of an income analysis prepared by an attorney in this matter to which Mr. Ryan replied that he is not aware of this income analysis. The board of review representative discussed a report submitted during a previous filing at the board of review. The administrative law judge sustained appellant's objection to referencing the board of review report because proceedings before the Property Tax Appeal Board are de novo. Referring the appraisal report submitted in the instant matter, the board of review representative questioned Mr. Ryan on the potential gross income (PGI) for the subject property. Mr. Ryan replied that the PGI was \$1,357,500 and applied an expense ratio of approximately 59%. Mr. Ryan discussed income and expenses for the subject property for the years 2016 and 2017 based on audited financial statements.

Conclusion of Law

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 appellant *did meet* 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 appellant*. The appraiser utilized the income approach, analyzed four rental comparables and calculated his value of the subject property of \$5,160,000 based net operating income divided by an overall capitalization rate. The appraiser considered the strengths and weaknesses of each approach and determined that the income approach was the most reliable and most comparable to the subject in the marketplace after adjustments. At hearing, the parties stipulated that the income approach was the best method for valuing and appraising the subject property. The appraiser testified regarding his analysis of the subject property's net operating expenses and his market value conclusions. The subject's assessment of \$748,704 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 \$5,160,000 as of the assessment date at issue. Since market value has been established the 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)).

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

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: _____

July 15, 2025

Clerk of the Property Tax Appeal Board

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

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