FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD

APPELLANT: Mihaela Ples
DOCKET NO.: 20-33267.001-R-1
PARCEL NO.: 18-08-403-012-0000

The parties of record before the Property Tax Appeal Board are Mihaela Ples, the appellant(s); 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:	$9,000
IMPR.:	$83,468
TOTAL:	$92,468

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 2020 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 dwelling of frame construction with 4,255 square feet of living area. The dwelling completed construction in 2020. The property has a 20,000 square foot site and is located in La Grange, Lyons Township, Cook County. The subject is classified as a class 2-08 property under the Cook County Real Property Assessment Classification Ordinance.

The appellant asserts multiple theories as the basis of the appeal. In their residential appeal, the appellant asserts that her appeal is based on a contention of law, recent sale, comparable sales, recent construction, and assessment equity. The appellant requested an assessment reduction of the land from $15,500 to $9,000 and for the improvements from $99,568 to $67,500.

In support of these arguments the appellant submitted a completed residential appeal form, information on three comparables, Cook County Assessor's Office print outs, a "Certificate of

Compliance" permit dated February 28, 2022, a letter dated April 21, 2021, a letter dated November 22, 2021, an unsigned/unexecuted Master Statement for the sale of the subject property dated March 29, 2018, for a total of $275,000, an unsigned/unexecuted ALTA Settlement Statement for a construction loan dated December 19, 2019, for a total of $601,500, a map, and three signed and notarized affidavits.

The board of review submitted its "Board of Review-Notes on Appeal" disclosing the total assessment for the subject of $115,068. The subject's assessment reflects a market value of $1,150,680, or $269.54 per square foot, including land, when applying the 10% level of assessment as established by the Cook County Real Property Classification Ordinance. The land of the subject property was assessed at $0.775 per square feet of land. In support of the subject's assessment, the board of review submitted four sales comparables and four equity comparables. The sales comparables sold between March 2019 and October 2019 for a sale price of between $231.21 and $328.95 per square foot, including land. The board's improvement equity comparables ranged in assessment per square foot of living area from $22.29 to $24.59. The board's land equity comparables were each $0.775 per square foot of land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

On July 29, 2022, the appellant, Mihaela Ples, and her sister, co-owner Adriana Ples, attended a hearing at the Property Tax Appeal Board, were sworn under oath, and provided testimony, which was recorded via Webex. Adriana Ples testified that she and the appellant purchased the subject property in March of 2018, for $275,000. The appellant and her sister testified that the property they purchased was not vacant land and contained a one-story single-family home, which was demolished later in 2018. Adriana Ples testified that new construction began in 2018. Andriana Ples testified that construction of the new structure was completed in late 2019 or early 2020. Andriana Ples testified that they received a certificate of occupancy on February 28, 2022. Adriana Ples testified that they secured a construction loan on December 19, 2019, for the amount of $601,500. The appellant testified that the amount of the loan included fees and interest. The appellants further testified that they also used their own money to finance additional construction costs, including maxing out credit cards. The appellants estimated that they spent approximately $500,000 on construction costs. No documentation was admitted into evidence regarding when construction began. No contractor's affidavit, contract, or other written evidence was admitted into evidence regarding the construction costs. No invoices, receipts, accounting, or other written documentation was submitted into evidence showing the precise amount of the construction costs. Additionally, the appellants testified about three equity comparables. Despite indicating on the residential appeal that the appeal was also based on a theory of comparable sales, the appellant submitted no evidence of comparable sales that there was no comparable sales information.

CONCLUSION OF LAW

Market Value: Standard

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 appellant argued market value under varying theories including recent sale, comparable sales, and recent construction.

Market Value: Recent Sale

The appellant asserts overvaluation as a basis of this appeal and indicated in their residential appeal that they are proceeding on the basis of a recent sale. The subject property was purchased in 2018 for $275,000. However, the appellant thereafter demolished the improvements upon the subject property and erected a new structure that was completed in 2020, which is the lien year of this appeal. As such, the appellant's assertion that their 2018 recent sale is the best evidence of market value of the subject property in 2020 is unpersuasive. The 2018 sale is not reflective of the subject property's improvement in 2020. The Board finds that the appellant failed to establish by a preponderance of the evidence that the subject property was overvalued based on their argument of a recent sale.

Market Value: Comparable Sales

The appellant asserts overvaluation as a basis of this appeal and indicated in their residential appeal that they were proceeding on the basis of a comparable sales. The appellant provided no information about a date of sale or sale price for any of the comparables submitted. Such information is necessary to conduct an analysis of overvaluation based on an argument of comparable sales. As such, the Board finds the appellant provided insufficient evidence and failed to establish by a preponderance of the evidence that the subject property was overvalued based on their argument of comparable sales.

Market Value: Recent Construction

The appellant asserts overvaluation as a basis of this appeal and indicated in their residential appeal that they were proceeding on the basis of recent construction. In the residential appeal form Section VI – Recent Construction Information on Your Residence, the appellant answered the questions but supplied partial or insufficient information. When asked the date the building was inhabitable and fit for occupancy or intended use, the appellant answered "yes." When asked the date the remodeling was completed, the appellant answered with the year 2019, but no specific date. The appellant also indicated that they received the occupancy permit on February 22, 2020; however, the copy of the occupancy permit which the appellant submitted into evidence was dated February 28, 2020.

The appellant submitted an unsigned/unexecuted ALTA Settlement Statement dated December 19, 2019, for $601,500 which was purported to be for a construction loan. The Board holds serious reservations about the veracity of the document alone given the document's unsigned/unexecuted nature. The Board gives this document alone very little weight.

Adriana Ples testified that the $601,500 was for a construction loan. Adriana Ples estimated that the total amount of the construction costs was approximately $500,000 and that the remainder of the loan was the cost of interest payments. There was also additional testimony by both the appellant and Adriana Ples that additional construction expenses existed such that the appellant and her sister maxed out their credit cards.

The appellant failed to submit a contractor's affidavit or statement into evidence, despite the fact that there are two places in Section VI of the appeal form that indicate that the appellant must submit a contractor's affidavit, or a written summary of the total cost must be submitted to the Property Tax Appeal Board. The appellant failed to submit a contract between the appellant and the contractor indicating the price of the construction costs. The appellant failed to submit any receipts for material or labor which would constitute the total construction costs. The appellant failed to submit any credit card statements showing materials purchased for the construction of the new improvement.

The Board finds that the appellant provided insufficient evidence to show the full and complete cost of construction. As such, the Board finds the appellant provided insufficient evidence and failed to establish by a preponderance of the evidence that the subject property was overvalued based on their argument of recent construction.

Assessment Equity: Standard

The taxpayer also contends assessment inequity as the basis of the appeal for both the improvement assessment and the land assessment. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted as to the improvement assessment. The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted as to the land assessment.

Assessment Equity: Improvements

The appellant supplied information on three equity improvement comparables. The board of review submitted four equity improvement comparables. The Board finds the best evidence of improvement assessment equity to be the appellant's comparable #3 and the board of review comparables #1 and #2. These comparables had improvement assessments that ranged from $16.92 to $24.59 per square foot of living area. The subject's improvement assessment of $23.32 per square foot of living area falls within the range established by the best comparables in this record. Based on this record the Board finds the appellant did not demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is not justified on this basis.

Assessment Equity: Land

The appellant supplied information on three equity comparables. However, the appellant only submitted land assessment values for comparables #1 and #3. The board of review submitted information on four suggested equity land comparables. The Board finds the best evidence of land assessment equity to be the appellant's comparables #1 and #3. These comparables had land

assessments that ranged from $0.42 to $0.50 per square foot. The subject's land assessment of $0.775 per square foot falls above the range established by the best comparables in this record. Based on this record the Board finds the appellant did demonstrate with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is justified.

Contention of Law*: *Vacancy and Uninhabitability

The appellant also indicated in their residential appeal that they are making a contention of law as the basis of the appeal. When a contention of law is raised, a party is required to "submit a brief in support of his position." 86 Ill. Admin. Code §1910.65(d). The appellant submitted one letter dated April 21, 2021, and a second letter dated November 22, 2021. The appellant cites no statutory authority or case law authority in either letter which would direct the Board to what the appellant's specific contention of law would be.

The appellant does; however, in one paragraph state the following: "My house has been vacant for the whole year of 2020. I am requesting vacancy relief for 2021. Please see neighbors' affidavits, [sic] confirming the house is vacant." App. Letter Nov. 22, 2021, ¶7. Insofar as the appellant has made a claim for a reduction based on the subject's alleged vacancy, as opposed to uninhabitability, the Board finds the appellate court's opinion in John J. Moroney and Co. v. Illinois Property Tax Appeal Bd., 2013 IL App (1st) 120493 is instructive. In that decision, while addressing a similar argument regarding alleged vacancy, the appellate court stated:

> [The taxpayer] submits three [Board] decisions that it claims proves there is a policy of granting reductions based on an assertion of vacancy alone: Berwyn Development Corp., Ill. Property Tax Appeal Bd. Docket Mo. 05-20619.001-C-1 (Oct. 22, 2010), Andersen, Ill. Property Tax Appeal Bd. Docket No. 01-27601.001-F-1 (Apr. 20, 2004), and Swanson, Ill. Property Tax Appeal Bd. Docket No. 01-25877.001-R-1 (Mar. 17, 2005). However, in all three of these appeals, the [Board] was presented with evidence as to why each property was vacant as well as evidence of the assessor's and/or board of review's policy in granting reductions based upon that property's reason for vacancy. In Berwyn Development Corp., the [Board] was presented with an affidavit stating the property was vacant because it was part of a redevelopment project, was waiting to be demolished and, therefore, was uninhabitable. The [Board] was also presented with documents from the assessor's office to show that Cook County has a policy of granting such reductions based on habitability. In Andersen and Swanson, the taxpayers offered evidence showing that each property was vacant because the buildings were being rehabilitated and, as such, were uninhabitable. The taxpayers further offered evidence from the Cook County assessor regarding a policy of reducing assessments based on the property's habitability.
>
> Here, there is no evidence in the record as to why the property at issue was vacated and no evidence that there is a policy in Cook County of granting reductions based on such a claim of vacancy alone.

Id. at ¶¶ 43-44. It is noteworthy that in all three of the Board decisions cited by the appellate court, the Board only granted a reduction if the property was uninhabitable, and, therefore, the Moroney court implied that the Board does not have a policy of granting a reduction in a property's assessment based on vacancy that is separate and apart from its inhabitability. Id. at ¶ 43.

Although having not cited any statute or case law and having not explicitly requested an assessment reduction on this basis, general principals of equity permit the Board to examine the issue of uninhabitability.

A reduction based on an argument of uninhabitability is governed by 35 ILCS 9-180, which states, in relevant part:

> Pro-rata valuations; improvements or removal of improvements. The owner of property on January 1 also shall be liable, on a proportionate basis, for the increased taxes occasioned by the construction of new or added buildings, structures or other improvements on the property from the date when the occupancy permit was issued or from the date the new or added improvement was inhabitable and fit for occupancy or for intended customary use to December 31 of that year. The owner of the improved property shall notify the assessor, within 30 days of the issuance of an occupancy permit or within 30 days of completion of the improvements, on a form prescribed by that official, and request that the property be reassessed. The notice shall be sent by certified mail, return receipt requested and shall include the legal description of the property.

35 ILCS 9-180. The subject property was purchased by the appellant in March of 2018 and was owned by the appellant through the entirety of 2020. After the purchase, the appellant had the improvement demolished and then had a new improvement constructed. As of January 1, 2020, construction was still being completed on the new residence such that the appellant was not then granted a certificate of occupancy.

In both letters submitted, the appellant indicated that they received a certificate of occupancy in February of 2020. The appellant also submitted a copy of a "Certificate of Compliance" which was issued by the Cook County Department of Building and Zoning and signed by the Commissioner of Building & Zoning. This document states that the subject property "complies with Ordinances of the Cook County Department of Building and Zoning and may be occupied."

The statute defines "occupancy permit" as "the certificate or permit, by whatever name denominated, which a municipality or county, under its authority to regulate the construction of buildings, issues as evidence that all applicable requirements have been complied with and requires before any new, reconstructed or remodeled building may be lawfully occupied." 35 ILCS 200/9-165. The Board finds that the "Certificate of Compliance" is an occupancy permit. The Board finds that this is sufficient evidence to show that the subject property became inhabitable on February 28, 2020, and was therefore uninhabitable, for the purposes of the instant lien year, from January 1, 2020, to February 28, 2020.

Accordingly, the Board finds that the subject's improvement value should be reduced and pro-rated for the 2020 tax year on the basis of uninhabitability between January 1, 2020, through February 28, 2020. As such, the Board finds that a reduction in the subject's improvement assessment is warranted.

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:

C E R T I F I C A T I O N

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: October 18, 2022

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

Mihaela Ples
5269 Willow Springs Road
La Grange Highlands, IL 60525

COUNTY

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