



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

APPELLANT: Maria Malewski
DOCKET NO.: 20-38149.001-R-1
PARCEL NO.: 28-10-228-015-0000

The parties of record before the Property Tax Appeal Board are Maria Malewski, the appellant, by John W. Zapala, of the Law Offices of John Zapala, P.C. 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: \$2,345
IMPR.: \$21,655
TOTAL: \$24,000

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 2-story apartment building of masonry construction with 5,832 square feet of building area.¹ The subject has five 2-bedroom units and one 1-bedroom unit. The building was constructed in 1963 and has a full “English” style basement. The property has a 6,700 square foot site and is located in Midlothian, Bremen Township, Cook County. The subject is classified as a class 2-11 property under the Cook County Real Property Assessment Classification Ordinance.

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 \$240,000 as of January 1, 2020.

¹ The Board finds the best description of the subject’s features was within the appellant’s appraisal.

The appellant's appraisal was completed using the sales comparison and the income approaches to value property in estimating a market value for the subject. The appellant's appraisers inspected the subject property on January 14, 2021 and opined the subject was in average condition.

Under the sales comparison approach to value, the appellant's appraisers selected five comparable sales that are located in Midlothian, Oak Forest or Hazel Crest. The comparables have sites ranging in size from 3,223 to 13,400 square feet of land area that are improved with one or two apartment buildings. The buildings range in total size from 1,858 to 15,600 square feet of building area and have from 3 to 18 apartments. The comparables sold from February 2017 to December 2019 for prices ranging from \$115,000 to \$506,000 or from \$27,278 to \$42,167 per apartment unit, or from \$31.47 to \$72.64 per square foot of building area, including land. After adjusting the comparables' sale prices for differences when compared to the subject, the appraisers estimated the comparables would have adjusted sale prices ranging from \$37,500 to \$42,500 per apartment unit. Based on these adjusted sale prices, the appraisers estimated that the subject would have a market value of \$40,000 per apartment unit or a total market value by the sales comparison approach of \$240,000 as of January 1, 2020.

Under the income approach to value, the appellant's appraisers selected four 1-bedroom apartments, which had monthly rents ranging from \$800 to \$900 and five 2-bedroom apartments, which had monthly rents ranging from \$925 to \$1,030. Based on these comparable rentals, the appraisers estimated that the subject's 1-bedroom unit would have a \$900 monthly rent and the subject's five 2-bedroom units would each have a \$1,000 monthly rent or a potential gross income of \$70,800. The appraisers disclosed the subject has a 67% occupancy rate, due to two vacant units, but concluded that a 15.00% vacancy and collection loss was appropriate for the subject's submarket. Subtracting the 15.00% vacancy and collection loss of \$9,000 from the subject's potential gross income of \$70,800, the appraisers arrived at an effective gross income of \$61,800. The appraisers subtracted \$33,291 for total operating expenses to arrive at a net operating income of \$28,509, which was capitalized at a rate of 11.84%, for an estimated market value for the subject under the income approach of \$240,000, rounded, as of January 1, 2020.

Under reconciliation, the appraisers considered both the sales comparison approach and the income approach in estimating the subject's market value but placed primary consideration on the income approach, since the subject is an income producing facility. Based on this analysis, the appraisers estimated the subject property had a market value of \$240,000 as of January 1, 2020.

The appellant's evidence included the subject's 2020 Rent Roll and Supplemental Income and Loss statements from 2017, 2018 and 2019.

Based on this evidence, the appellant requested that the subject's assessment be reduced to reflect the recent appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$38,526. The subject's assessment reflects a market value of \$385,260 or \$64,210 per apartment or \$66.06 per square foot of building area, land included,

when applying the 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 information on four comparable properties that are located in Midlothian, Oak Forest or Tinley Park. The comparables are improved with 2-story or 3-story buildings of masonry or frame and masonry exterior construction ranging in size from 4,928 to 6,048 square feet of building area. The buildings range in age from 39 to 49 years old. Two comparables have full basement apartments and two comparables have slab foundations. One comparable has central air conditioning and two comparables have a 4-car garage. Comparable #3 sold in December 2017 for a price of \$568,000 or \$107.03 per square foot of building area, including land.

Based on this evidence the board of review requested confirmation of the subject's assessment.

The appellant submitted rebuttal critiquing the board of review's submission.

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 estimating the subject property had a market value of \$240,000 as of January 1, 2020. The appellant's appraisers selected comparable properties that are similar to the subject, and made logical adjustments to the comparables, to support the appraisal's estimate of the subject's market value by the sales comparison approach. In addition, the appraisers used market data to support the appraisal's estimate of the subject's market value by the income approach. The subject's assessment reflects a market value above the best evidence of market value in the record. The Board gives less weight to the board of review's analysis of comparable properties, as the board of review did not challenge the accuracy of the appellant's appraisal but instead submitted one comparable sale that was not adjusted for its differences when compared to the subject, whereas the appraisal utilized five sales, four of which were more proximate to the January 1, 2020 lien date. Additionally, the Board finds the board of review's three remaining comparables lacked recent sales data, which is a necessary requirement when addressing the overvaluation argument brought by the appellant. Based on this evidence the Board finds a reduction in the subject's assessment commensurate with the appellant's request is justified.

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: June 18, 2024



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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