



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

APPELLANT: Marylou Linares
DOCKET NO.: 20-42357.001-R-1
PARCEL NO.: 15-27-202-042-0000

The parties of record before the Property Tax Appeal Board are Marylou Linares, the appellant, by attorney Alexia Katsaros, of Katsaros Law, P.C. in Western Springs; 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: \$2,268
IMPR.: \$21,732
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 mixed-use building of frame and masonry exterior with 2,328 square feet of gross building area.¹ The building was constructed in 1950 and is approximately 70 years old. The building has a 447 square foot commercial unit and a 1-bedroom apartment on the first floor, a 1,045 square foot commercial unit and a 1-bedroom apartment on the second floor, and an attached 2-car garage. The second floor commercial unit has central air conditioning. The property has a 3,240 square foot site, a land to building ratio of 1.18:1, and is located in North Riverside, Proviso Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance.

¹ The parties differ regarding the subject's building size. The Board notes the building size used in the appraisal appears to include the subject's built-in garage. Thus, the Board finds the subject has 2,328 square feet of gross building area as described by the board of review.

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 \$225,000 as of January 1, 2020. The appraisal was prepared by George B. Koumbis, a certified residential real estate appraiser, and George K. Stamas, a certified general real estate appraiser, for ad valorem tax purposes.

Under the income approach, the appraisers selected five commercial rent comparables located in Brookfield, LaGrange, Westchester, and Lyons. The comparables range in size from 400 to 1,925 square feet of rentable area and rent for \$12.00 to \$24.00 per square foot on a gross rent basis. The appraisers noted the subject's second floor commercial unit is owner-occupied but its first floor commercial unit rents for \$20.13 per square foot. The appraisers selected five apartment rent comparables located in North Riverside, Broadview, and Brookfield. The comparables are 1-bedroom units that rent for \$650 to \$900 per month. The appraisers noted one of the subject's apartments rents for \$750 per month whereas the other unit is vacant. The appraisers concluded the contract rent of \$9,000 for the first floor commercial unit was reflective of market rent, estimated market rent of \$15,675 for the second floor commercial unit, and concluded \$18,000 for the two apartments based on the current contract rent for the occupied apartment, which the appraisers concluded was reflective of market rent. Based on the foregoing, the appraisers computed potential gross income for the subject of \$42,675.

The appraisers next estimated a vacancy rate of 7% or \$2,987 for the subject based on a rate of 6.3% according to CoStar Chicago Retail Market Overview, First Quarter 2020 for similar buildings in the subject's submarket. After subtracting vacancy from potential gross income, the appraisers arrived at effective gross income of \$39,688.

The appraisers then estimated expenses of 37.52% or \$14,892, including insurance, management fees, utilities, common area maintenance, reserves, and other expenses. After subtracting expenses for the effective gross income, the appraisers calculated net operating income of \$24,796.

For the capitalization rate, the appraisers developed a rate using the band of investment method of 7.43% and also examined investor surveys with rates ranging from 6.00% to 8.00%. The appraisers then estimated a capitalized rate of 8.00% for the subject and a loaded capitalization rate of 10.55%. Based on this loaded rate, the appraisers arrived at a value for the subject of \$235,000 under the income approach.

Under the sales comparison approach, the appraisers selected five comparables sales located in Cicero, Berwyn, and Oak Park. The comparables are improved with mixed-use buildings ranging in size from 3,100 to 6,593 square feet of gross building area were built from 1913 to 1980. The comparables have land to building ratios ranging from 0.51:1 to 1.12:1 and sold from October 2018 to May 2020 for prices ranging from \$173,500 to \$380,000 or from \$55.97 to \$83.87 per square foot of gross building area, including land. The appraisers made qualitative adjustments to the comparables for differences from the subject such as location, building size, and land to building ratio. Based on this analysis, the appraisers concluded a value for the subject of \$220,000 under the sales comparison approach.

The appraisers gave most weight to the sales comparison approach in opining a market value of the subject of \$225,000 as of January 1, 2020.

Based on this evidence, the appellant requested a reduction in the subject's assessment to reflect the appraised value conclusion.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$37,804. The subject's assessment reflects a market value of \$378,040 or \$162.39 per square foot of living area, including land, 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 three comparable sales located in River Forest and Stone Park. The comparables have 2,950 or 3,720 square foot sites that are improved with 2-story, class 2-12 buildings of masonry or frame exterior construction ranging in size from 1,568 to 3,417 square feet of gross building area. The buildings range in age from 62 to 79 years old. Two comparables each have a basement and central air conditioning. Each comparable has a 1.5-car or a 2-car garage. The comparables sold from August 2018 to January 2020 for prices ranging from \$220,000 to \$350,000 or from \$102.43 to \$140.31 per square foot of living area, 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 appellant submitted an appraisal and the board of review submitted three comparable sales for the Board's consideration. The Board gives less weight to the appraised value conclusion as the appraisers utilized an incorrect building size, for which adjustments were made to the comparables. Thus, the Board finds the appraisal states a less credible and/or reliable opinion of value and the Board will instead consider the raw sales data presented in the appraisal and by the board of review.

The record contains a total of eight comparable sales for the Board's consideration. The Board gives less weight to the appraisal sales #2, #3, and #4 and the board of review's comparables #1 and #2, due to substantial differences from the subject in building size.

The Board finds the best evidence of market value to be the appraisal sales #1 and #5 and the board of review's comparable #3, which sold proximate in time to the assessment date and are more similar to the subject in building size but have varying degrees of similarity to the subject in age, location, and other features, suggesting adjustments to these comparables would be needed to make them more equivalent to the subject. These comparables sold for prices ranging

from \$173,500 to \$260,000 or from \$55.97 to \$116.07 per square foot of living area, including land. The subject's assessment reflects a market value of \$378,040 or \$162.39 per square foot of living area, including land, which is above the range established by the best comparable sales in the record. Based on this evidence and after considering appropriate adjustments to the best comparables for differences from the subject, the Board finds a reduction in the subject's assessment 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

AGENCY

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