



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

APPELLANT: Kathy Machnicki
DOCKET NO.: 21-30097.001-R-1
PARCEL NO.: 17-06-324-005-0000

The parties of record before the Property Tax Appeal Board are Kathy Machnicki, the appellant, by Scott Shudnow, attorney-at-law of Shudnow & Shudnow, Ltd. 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: \$45,150
IMPR.: \$7,350
TOTAL: \$52,500

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 2021 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 is improved with a part one-story and part two-story masonry constructed mixed-use building with 7,020 square feet of above grade building area. The building was constructed in 1919 and is approximately 102 years old. Features of the building include a full unfinished basement, one commercial/storage unit on the first floor, and two apartments on the second floor. The property has three washrooms in the commercial unit, and each apartment has one full bathroom. The property also has an attached unheated two-car garage and on-site parking for four cars. The property has a 6,450 square foot site located in Chicago, West Chicago Township, Cook County. The subject is classified as a class 2-12 mixed-use commercial/residential building 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 \$525,000 as of January 1, 2021. The appraisal was prepared by Rufino Arroyo, an Illinois Certified General Real Estate Appraiser, and George K. Stamas, an Illinois Certified General Real Estate Appraiser. The purpose of the appraisal was to form one or more opinions about value in order to establish an equitable ad valorem tax assessment. The property was inspected on May 10, 2022. The property rights appraised are fee simple, assuming no liens or encumbrances other than the normal covenants and restrictions of record. The appraisers determined the highest and best use of the property as vacant would be to hold for future development of a mixed-use improvement with adequate on-site parking. The appraisers also determined the highest and best use of the property, as improved, is its current use as a mixed-use building for its remaining economic life.

In describing the improvements, the appraisers explained the subject lacks heating and air conditioning; the building lacks a hot water heater and does not have water service; and the bathrooms in the commercial unit and the apartments are not in service. The appraisers also explained that the interior of the subject property appears to be from fair to poor overall condition. The first floor of the building is an open minimally finished area that is utilized by the owner as a storage facility. There are two vacant apartments on the second floor that were not accessible at the time of the inspection, and it was unknown if they are in rentable condition.

In estimating the market value of the subject property, the appraisers developed the income capitalization approach to value and the sales comparison approach to value. Using the income approach to value the appraisers identified five commercial rental comparables and five apartment rental comparables to arrive at a market rent for the commercial unit of \$12.50 per square foot on a gross lease basis and market rent for each apartment of \$850 per month. The subject's potential gross income was estimated to be \$74,150. The appraisers then deducted 5% or \$3,708 for vacancy and collection loss to arrive at an effective gross income of \$70,422. Expenses of \$14,704 were deducted to arrive at a net operating income of \$55,738. Using the band of investment method and published surveys the appraisers arrived at an 8.50% capitalization rate to which they added a tax load factor of 2.23% to arrive at a 10.73% adjusted capitalization rate. Capitalizing the net operating income resulted in an estimated value under the income approach of \$520,000.

The appraisers used five comparables sales of mixed-use buildings to develop an estimate of value under the sales comparison approach to value. The comparables ranged in size from 3,958 to 10,760 square feet of building area and were built from 1886 to 1948. These properties sold from December 2018 to February 2022 for prices ranging from \$225,000 to \$790,000 or from \$56.63 to \$77.38 per square foot of building area, including land. Based on these sales the appraisers arrived at an estimated value for the subject property of \$75.00 per square foot of building area, land included, or \$525,000, rounded.

In reconciling the two approaches to value the appraisers gave greatest consideration to the sales comparison approach and arrived at a final opinion of market value of \$525,000 as of January 1, 2021. Based on this evidence the appellant requested the subject's assessment be reduced to \$52,500 to reflect the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$90,000. The subject's assessment reflects a market value of \$900,000 or \$120.21 per square foot of building area, including land, when applying the level of assessment for class 2-12 property under the Cook County Real Property Assessment Classification Ordinance of 10%. The subject has an improvement assessment of \$44,850 or \$6.39 per square foot of building area.

In support of its contention of the correct assessment the board of review submitted information on four comparables composed of class 2-12 properties improved with three-story buildings of masonry exterior construction that range in size from 5,886 to 7,081 square feet of building area. The buildings are from 106 to 140 years old. Each property has a partial or full unfinished basement, one comparable has central air conditioning, and one comparable has a 2-car garage. These properties have 4, 5 or 6 full bathrooms and 1, 2 or 5 half bathrooms. The comparables have sites ranging in size from 2,870 to 5,085 square feet of land area. The comparables have the same assessment neighborhood code as the subject property and are located ¼ of a mile from the subject. The comparables have improvement assessments from \$83,829 to \$91,910 or from \$12.52 to \$15.02 per square foot of building area. None of the comparables are reported to have sold.

In rebuttal the appellant's counsel argued the board of review did not submit any sales evidence, and the assessment equity evidence submitted by the board of review is unresponsive to the appellant's fair market value argument.

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 only evidence of market value in this record to be the appraisal submitted by the appellant estimating the subject property had a market value of \$525,000 as of January 1, 2021. The appellant's appraisers developed the income approach to value and the sales comparison approach to value to arrive at their conclusion of value. The subject's assessment reflects a market value of \$900,000, which is above the appraised value presented by the appellant. The board of review presented no market data in support of its contention of the correct assessment of the subject property or to refute the appraisal submitted by the appellant. The equity comparables presented by the board of review are unresponsive to the appellant's market value argument. Based on this evidence the Board finds the subject property had a market value of \$525,000 as of January 1, 2021, and 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:

March 17, 2026



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

Kathy Machnicki, by attorney:
Scott Shudnow
Shudnow & Shudnow, Ltd.
77 West Washington Street
Suite 1620
Chicago, IL 60602

COUNTY

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