



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

APPELLANT: Roman Tkaczuk
DOCKET NO.: 21-30339.001-R-1
PARCEL NO.: 17-06-200-032-0000

The parties of record before the Property Tax Appeal Board are Roman Tkaczuk, the appellant, by attorney Daniel G. Pikarski, of Gordon & Pikarski, 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: \$48,000
IMPR.: \$47,000
TOTAL: \$95,000

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 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 consists of a part one-story and part two-story mixed-use building with approximately 6,595 square feet of gross building area¹ and is approximately 21 years old. The subject is currently occupied on the first floor by North Avenue Animal Hospital. On the second floor is an owner-occupied apartment with 1,500 square feet of living area. Features include a concrete slab foundation, two full bathrooms, two half-baths, sprinklered, and central air conditioning. The subject has four parking spaces. The property has a 6,000 square foot site and is located in Chicago, West Chicago Township, Cook County. The subject is classified as a class 2-12 property under the Cook County Real Property Assessment Classification Ordinance.

¹ The appellant's appraiser obtained the gross building size "from information provided by the client." (Appraisal, p. 1). The assessing officials report a building size of 6,600 square feet.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant submitted an appraisal prepared by Ibi Cole, MAI and a Certified General Real Estate Appraiser, estimating the subject property had a market value of \$950,000 as of January 1, 2021.

At three different points in the appraisal, Cole wrote or a similar version:

At the request of our client (due to time constraint or other urgent matter) we have conducted a condensed or summarized appraisal. A great deal of information obtained, was taken from public record, owner and market participant interviews. We've made extraordinary assumptions regarding the accuracy of all obtained data within this report; especially features that are commonly obtained from an on-site observation. The estimate of value arrived herein is relative in accuracy to the information obtained by public record and shall be considered within the realm of reason. This realm is based on similar public record transactions, recorded within a spectrum of time, commonly within six months to three years from the effective date of value.

(See cover letter page 1 and appraisal report, pages 1 and 6, respectively).

The purpose of the appraisal was to establish the correct, as-is, fee simple, assessed valuation of the property for *ad valorem* tax purposes.

Cole stated the main issue with the subject is that over 77% is occupied by a commercial use with a small portion dedicated to residential use. She noted that "the lack of residential support typically calls for cap rates on the higher end of the mixed-use market spectrum." In addition, the first-floor use as a Vet Clinic is highly built-out for a specific use. There is a substantial lack of flexibility for an alternate user without substantial capital outlays. The appraiser reported in the market survey research was done on a mix of office, medical office and retail uses, but "it seems" the subject's build-out may not receive dollar for dollar on a rental basis. Cole also stated that clinics like the subject are often owner-occupied and rarely lease on the open market. (Appraisal, pp. 10 & 44).

Under the income approach, Cole first analyzed rent comparables. The appraiser outlined eight retail rental comparables, located within a mile of the subject, with reported square foot rents ranging from \$13.00 net to \$29.40 gross. Cole placed most weight on retail rental comparables #4, #5 and #6, concluding an estimated retail rent for the subject of \$25.00 per square foot, gross. (Appraisal, p. 54). Then the appraiser analyzed ten residential 1-bedroom to 2-bedroom apartments located within .4 of a mile from the subject for units leased on a gross basis which were 700 to 1,250 square feet in size. Through this process, Cole found residential rents ranging from \$12.75 to \$37.56 per square foot; given the subject's larger size, Cole estimated a residential rate at the lower portion of the range or \$22.00 per square foot. (Appraisal, p. 56).

Based on the foregoing market rent conclusions for both retail and residential portions of the subject, Cole estimated the subject's annual stabilized potential income would be \$160,375. (Appraisal, p. 59). Next, Cole estimated vacancy and collection loss at 10% of potential revenue or \$16,038, resulting in effective gross income of \$144,338. Then the appraiser estimated expenses of \$38,573, which resulted in net operating income of \$105,765. In order to estimate

value, it was necessary for Cole to estimate a capitalization rate and determine the real estate tax in order to arrive at a loaded capitalization rate. Based on Cole's analysis of several sources for rates, a capitalization rate of 9% was chosen to which a tax load of 2.29% was added resulting in a loaded capitalization rate of 11.29% to be applied to the net operating income. Using this formula, Cole estimated the value of the subject property using the income approach at \$940,000, including land, rounded. (Appraisal, p. 61).

Using the sales comparison approach, the appraiser searched for similar mixed-use retail/residential buildings in similar market areas as the subject. Cole considered six sales of mixed-use retail/residential buildings located from .15 to .61 of a mile from the subject. The parcels range in size from 2,400 to 3,696 square feet of land area which are improved with buildings that range in age from 81 to 134 years old and range in size from 5,600 to 10,430 square feet of gross building area. The properties sold from March 2018 to October 2020 for prices ranging from \$652,000 to \$2,275,000 or from \$74.38 to \$218.12 per square foot of gross building area, including land. The appraiser next set forth qualitative adjustments which as depicted on page 86 resulted in three sales being deemed inferior and three sales being deemed superior. Based on this analysis, Cole concluded a value for the subject of \$150.00 per square foot of gross building area, resulting in a value for the subject of \$990,000, including land, rounded, under the sales comparison approach.

In reconciling the two value approaches, Cole gave dominant weight (80%) to the income approach to value. The appraiser's final opinion of value was \$950,000 or \$144.05 per square foot of gross building area, including land, as of January 1, 2021.

Based on the foregoing evidence, the appellant requested an assessment reflective of the market value determined by the appellant's appraiser.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$157,177. The subject's assessment reflects a market value of \$1,571,770 or \$238.33 per square foot of gross building 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 the same assessment neighborhood code and within ¼ of a mile from the subject. The parcels range in size from 2,300 to 5,800 square feet of land area and are improved with class 2-12 two-story or three-story buildings of masonry exterior construction. The buildings range in age from 110 to 140 years old and range in size from 7,000 to 7,700 square feet of gross building area. Two comparables have partial unfinished basements and one comparable has a crawl-space foundation. Two comparables each have central air conditioning. Each building has 4½ or 5½ bathrooms and comparable #1 has two fireplaces and a four-car garage. The properties sold from June 2018 to December 2021 for prices ranging from \$2,500,000 to \$4,876,383 or from \$331.17 to \$655.34 per square foot of gross building 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 of the subject property as of the lien date at issue and the board of review provided three suggested comparables sales to support their respective positions before the Property Tax Appeal Board. The Board has given little weight to the board of review comparables which are each significantly larger than the subject building and lack any adjustments for these differences. In addition, comparable #3 sold in 2018, a date less proximate in time to the lien date at issue herein of January 1, 2021.

On this limited record, the Board finds the best evidence of market value to be the appraisal submitted by the appellant. The subject's assessment reflects a market value of \$1,571,770 or \$238.33 per square foot of gross building area, including land, which is above the appraised value in the record of \$950,000 or \$144.05 per square foot of gross building area, including land.

Based on the foregoing evidence of record, the Board finds the subject property had a market value of \$950,000 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

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: _____

May 20, 2025



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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