



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

APPELLANT: MRR 1334 Cleaver LLC
DOCKET NO.: 21-31167.001-R-1
PARCEL NO.: 17-05-117-038-0000

The parties of record before the Property Tax Appeal Board are MRR 1334 Cleaver LLC, the appellant, by attorney Kevin B. Hynes, of O'Keefe Lyons & Hynes, LLC 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 **No Change** 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: \$18,000
IMPR.: \$91,000
TOTAL: \$109,000

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 26-year-old, three-story, three-unit, multi-family dwelling of masonry construction with 4,656 square feet of living area. The subject contains two, three-bedroom apartments, and one, four-bedroom apartment. Features of the home include a full finished basement with an apartment, four full bathrooms and eight bedrooms. The property has a 3,000 square foot site located in Chicago, West Chicago Township, Cook County. The property is 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 \$660,000

or \$220,000 per unit¹, including land, as of January 1, 2021. The appraisal used the sales comparison and income approaches. For the income approach, the appraiser relied upon the rent roll of the subject property and area market rents. The appraiser utilized six comparables consisting of three-bedrooms apartments and six comparables of four-bedroom apartments. The rental income ranged from \$2,500 to \$2,900 per month. The appraiser determined from this data that the subject's three-bedroom apartment would lease for \$2,880 per month, and its four-bedroom apartment would lease for \$3,800 per month.

The appraiser then considered the potential income from the three apartment units. In so doing, he relied upon market rents asserting the "subject's ranges and averages are generally consistent" with those seen the local market. These ranged from \$2,800 to \$3,800 per month. The appraiser determined from this data that the subject's three-bedroom units could be leased annually for \$67,200 per unit, and the four-bedroom unit could be leased annually for \$45,600.

The appraiser concluded the total annual potential gross income for the subject was \$114,720. The appraiser subtracted 6% of this amount, or \$6,883, for vacancy and collection loss, and an additional 6% for concessions, or \$7,170, leaving an effective gross income of \$100,667. The appraiser then calculated the subject's annual expenses as \$31,435, leaving a potential net operating income of \$69,232.

Using the band of investment method, the appraiser determined an initial capitalization rate of 8.5%. To account for the subject's property taxes, which were not reflected in the next operating income, the appraiser added tax constant of 2.23% to come up with a 10.70% capitalization rate. The appraiser then calculated the subject's value under the income approach by dividing the net operating income of \$69,232 by the capitalization rate of 10.7% for a total of \$647,029, rounded to \$650,000. Reconciling the sales comparison and income capitalization approach results, the appraiser determined that the subject's value was \$660,000.

For the sales approach, the appraiser relied on five suggested sales comparables that sold between February 2018 and October 2021, for amounts ranging from \$720,000 to \$1,205,000, or between \$200,000 and \$241,000 per unit², land included in the sale prices. The appraiser adjusted the sales prices to account for differences between the comparables and the subject. After applying the adjustments, the appraiser determined that the subject's value was \$225,000 per unit, for a total of \$675,000, which was rounded to \$680,000.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$109,000. The subject's assessment reflects a market value of \$1,090,000 or \$234.11 per square feet of living area, land included, using the Cook County Real Estate Classification Ordinance level of assessment for class 2 property of 10%.

¹ The appraisals chosen unit of measurement in its sales comparison approach relies on a "per unit" calculation, rather than a price per square foot calculation. In order to make an accurate comparison between the board of review's data and the appellant's data, this Board converted the data contained in the appraisal from a "per unit" unit of measurement to a "price per square foot" unit of measurement to ensure uniformity in analysis.

² When the sale price of the comparables was divided by the living area square footage, the comparables ranged from \$120.50 to \$254.99 per square foot of living area.

In support of the assessment the board of review submitted four sales comparable properties. All were improved with either a two-story or three-story, multi-family dwelling of either masonry or frame construction with a basement. The comparable properties sold between November 2018 and October 2020. The improvements ranged: in age between 13 and 138 years old; in size between 3,630 and 4,083 square feet of living area; and in sale price per square foot between \$204.51 and \$376.26, including land. All were located within a quarter mile of the subject property.

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).

Initially, the Board finds the appellants' assertion that an unknown, but lower level of assessment figure allegedly derived from an Illinois Department of Revenue's sales ratio study should apply is misguided. Under 86 Ill.Admin.Code §1910.50(c)(2), an appellant must provide the Department of Revenue's sales ratio studies for the previous three years or other competent assessment level evidence to challenge the assessment level. The appellants provided no such evidence. Interestingly, despite arguing for a lower level of assessment in its brief, ultimately the appellant requested a 10% assessment level, as evidenced by the request on the Residential Appeal Form Section 2c for \$66,000 TAV. Accordingly, the Board will apply the assessment level as established by the Cook County Real Property Assessment Classification Ordinance of 10% to any market value established by the Board.

The Board finds the best evidence of market value to be the appraisal submitted by the appellant. The appraisal was prepared by an Illinois certified residential appraiser and included adjustments based on his experience and expertise, whereas the board of review submitted four comparable sale properties that contained unadjusted raw sales figures. However, this Board notes the appellant's own appraisal supports the current level of assessment on a price per square foot basis. The comparables utilized in the appellant's own appraisal provide a range of \$120.50 to \$254.99 per square foot of living area. The subject's current level of assessment reflects a market value of \$1,090,000 or \$234.11 per square feet of living area, land included which is within the range of appellant's own comparables.

While this Board did give some weight to the appraisal's income approach, that approach alone is insufficient to sustain the burden of proof. See Cook County Bd. of Review v. Ill. Property Tax Appeal Bd., 384 Ill. App. 3d 472, 474 (1st Dist. 2008) (income approach is not sufficient by itself to establish fair market value of property unless the nature of the property makes it impossible to obtain the market data to support a sales comparison approach.) For the reasons stated above, the appellant failed to satisfy this burden, and a reduction in the subject's assessment is not warranted. The Board finds the subject property had a market value of \$1,090,000 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

AGENCY

State of Illinois
Property Tax Appeal Board
William G. Stratton Building, Room 402
401 South Spring Street
Springfield, IL 62706-4001

APPELLANT

MRR 1334 Cleaver LLC, by attorney:
Kevin B. Hynes
O'Keefe Lyons & Hynes, LLC
30 North LaSalle Street
Suite 4100
Chicago, IL 60602

COUNTY

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