



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

APPELLANT: Pavo Hrkac
DOCKET NO.: 21-37089.001-R-1
PARCEL NO.: 14-28-313-013-0000

The parties of record before the Property Tax Appeal Board are Pavo Hrkac, the appellant, by attorney Scott Shudnow, 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: \$58,488
IMPR.: \$79,509
TOTAL: \$137,997

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 3.5-story 5-unit apartment building of masonry exterior construction with 4,842 square feet of gross building area.¹ The building was constructed in 1896 and is approximately 125 years old. Features of the building include a full basement, central air conditioning, and a 2-car garage. The property has a 4,874 square foot site and is located in Chicago, Lake View 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 \$1,300,000 as of January 1, 2021. The appraisal was prepared by Gary Nusinow, a certified

¹ The Board finds the best description of the subject is found in the appraisal report submitted by the appellant, which contains a detailed property sketch with measurements.

general real estate appraiser. The purpose of the appraisal was to determine the market value of the subject for an ad valorem tax appeal.

In estimating the market value of the subject property, the appraiser developed the income approach and the sales comparison approach to value. Under the income approach to value, the appraiser examined nine rent comparables located within .6 of a mile of the subject. The comparables are improved with one-unit or three-unit apartment buildings ranging in size from 680 to 2,278 square feet of gross building area. The buildings range in age from 18 to 133 years old. The monthly rents for 1-bedroom units range from \$1,095 to \$1,250 or \$1.72 to \$1.84 per square foot of gross building area. The monthly rents for 2-bedroom units range from \$2,000 to \$2,490 or \$2.17 to \$2.26 per square foot of gross building area. The monthly rents for 3-bedroom units range from \$3,250 to \$4,200 or \$1.84 to \$2.32 per square foot of gross building area. Based on this data, the appraiser estimated potential gross annual income of \$112,200, from which the appraiser deducted vacancy and collection losses of \$9,425 and expenses of \$23,110 to arrive a net annual income of \$79,665. The appraiser applied a loaded capitalization rate of 8.7% to conclude an opinion of value of \$915,000 under the income approach.

Under the sales comparison approach, the appraiser examined five comparable sales within 1.26 miles of the subject. The comparables are improved with 3.5-story or 4.5-story 5-unit, 6-unit, or 8-unit apartment buildings ranging in size from 4,354 to 8,265 square feet of gross building area. The building range in age from 120 to 130 years old. Each comparable has a basement, one of which has finished area. One comparable has central air conditioning and one comparable has a 2-car garage. The parcels range in size from 3,075 to 7,227. The sales occurred from August 2019 to November 2020 for prices ranging from \$850,000 to \$1,850,000 or from \$183.32 to \$269.17 per square foot of gross building area, including land. Adjustments were applied for differences between the comparables and the subject property for condition, building size, bathroom count, central air conditioning, and parking to arrive at adjusted prices ranging from \$1,260,000 to \$1,325,000. Based on this data, the appraiser arrived at a market value of \$1,300,000 or \$268.48 per square foot of gross building area, including land, as of January 1, 2021.

In reconciliation, the appraiser placed most weight on the sales comparison approach which was considered most reliable in arriving at the final opinion of \$1,300,000. Based on this evidence, the appellant requested a reduced assessment reflective of the appraised value.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$162,000. The subject's assessment reflects a market value of \$1,620,000 or \$334.57 per square foot of gross building area, land included, when applying the 10% level of assessment under the Cook County Real Property Assessment Classification Ordinance.

In support of its contention of the correct assessment the board of review submitted information on four comparable sales. The comparables consist of 2-story or 3-story buildings of masonry exterior construction ranging in size from 1,992 to 10,095 square feet of gross building area. The buildings are 95 to 128 years old. Each building has a full basement with one being finished with an apartment. Three comparables have central air conditioning, one comparable has three fireplaces, and three comparables each have a 2-car garage. The parcels range in size from 3,125

to 6,050 square feet of land area. The comparables sold from June to November 2021 for prices ranging from \$1,340,000 to \$1,850,000 or from \$183.26 to \$672.69 per square foot of gross building area, including land. Based on this evidence, the board of review requested confirmation of the subject's assessment.

In rebuttal, the appellant argued that the board of review failed to refute the appraiser's value conclusion and that the subject's appraised value is bracketed by the board of review's comparables on a per-square-foot basis. The appellant also argued that board of review comparable #1 differs from the subject in condition, location, and design. The appellant noted that board of review comparable #1 was rebuilt in 2015, in contrast to the subject, which the appraiser noted has been "maintained in below average to average condition."

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 four comparable sales to support their respective positions before the Property Tax Appeal Board. The Board gives less weight to the value conclusion contained in the appellant's appraisal as it relies on three sales occurring in 2019, less proximate to the January 1, 2021 assessment date at issue in this appeal, while the record reveals other more proximate sales that were not considered by the appraiser. The Board will instead examine the raw sales presented by the parties.

The Board gives less weight to appraisal comparables #1, #2, and #5, which sold less proximate to the assessment date at issue. The Board also gives reduced weight to appraisal comparable #3, as well as board of review comparables #1 and #3, which differ from the subject in building size.

The Board finds the best evidence of market value to be the appraisal comparable #4 along with board of review comparables #2 and #4, which are similar to the subject in age, building size, and features. These most similar comparables sold for prices ranging from \$1,325,000 to \$1,585,000 or from \$257.38 to \$315.42 per square foot of gross building area, including land. The subject's assessment reflects a market value of \$1,620,000 or \$334.57 per square foot of gross building area, including land, which is above the range established by the best comparable sales in this record. Based on this evidence and after considering adjustments to the best comparables for differences when compared to 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: _____

February 18, 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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