



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

APPELLANT: Jonathan Bunge
DOCKET NO.: 21-38309.001-R-1
PARCEL NO.: 14-29-111-032-0000

The parties of record before the Property Tax Appeal Board are Jonathan Bunge, the appellant, by attorney Katherine Amari O'Dell, of Amari & Locallo, 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: \$54,687
IMPR.: \$22,868
TOTAL: \$77,555

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 two frame buildings on one parcel operating as three apartments with 2,526 square feet of gross building area. The subject has one, 1 bedroom/1 bath unit and two, 3 bedroom/2 bath units. The buildings are approximately 133 years old. The property has a 3,125 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 prepared by David Barros, a Certified General Real Estate Appraiser with an MAI designation. The purpose of the report was for an equitable ad valorem tax assessment based on fee simple property rights. Upon inspection, the appraiser described the subject as in average condition and noted the subject's two-building design was not typical of other

area apartment buildings such that “a level of functional inutility exists.” (Appraisal, p. 50). The appraiser prepared both the income and sales comparison approaches to value.

Pages 56 to 61 of the appraisal describe the data analyzed in the income approach using the direct capitalization method. The subject apartments at the time of the appraisal were all occupied and leased on a month-to-month basis. For the income approach, the appraiser analyzed data of three rental comparables with similar attributes to the subject. Thus, the appraiser estimated a market rent of \$2,000 per month for the subject’s one bed/one bath apartment and \$2,500 per month each for both three bed/two bath apartments. Using these estimated rents resulted in a gross potential income of \$84,000. A vacancy and collection loss of 6% or \$5,040 was applied followed by stabilized the expenses (excluding real estate taxes) of \$37,158, resulting in an estimated net operating income (NOI) of \$41,802.

Next the appraiser calculated a capitalization rate by examining multiple sources and finding a capitalization rate of 6% for the subject represents reasonable investor criteria under current market conditions. As depicted on page 61, the appraiser then added a tax load factor of 2.23% to account for real estate taxes resulting in a final loaded capitalization rate of 8.23%. Capitalizing the subject property's NOI of \$41,802 by 8.23% resulted in estimated market value of \$507,922 or \$510,000, rounded, under the income approach.

For the comparable sales approach to value on pages 62 to 71 of the report, the appraiser analyzed five sales of apartment buildings. The comparables buildings range in age from 28 to 133 years old and range in size from 4,400 to 10,150 square feet of building area with from 3 to 7 apartment units. Sales #2 and #5 were renovated in 2015 and 2018, respectively. These properties sold between June 2018 and May 2021 for prices ranging from \$850,000 to \$2,200,000 or from \$188.27 to \$235.29 per square foot of building area, including land. As depicted in a chart on page 69 and described on pages 70 and 71, the appraiser next made adjustments to the sales. Four of five sales were adjusted downward 5% for market conditions as the appraiser stated, except for sale #2, the comparables were purchased in superior markets (prior to the coronavirus).¹ As the number of units in a building increases value based upon cash flow, the appraiser adjusted three of the sales downward by 1% or 2% based on their respective number of apartment units. Each of the comparable sales were adjusted downward by 4% for physical characteristics as the comparables each consist of one building which is superior to the subject’s two-building layout. Each sale was increased 1% for land-to-building ratio in comparison to the subject. Finally, the appraiser applied adjustments to sales #1, #4 and #5 for age/condition raising sale #1 by 4% and reducing sales #4 and #5 each by 5%. As a result of this adjustment process, the sales comparables depict adjusted sales prices ranging from \$178.02 to \$203.93 per square foot of gross building area, including land. From this data, the appraiser opined a unit value for the subject of \$203.00 per square foot of gross building area or \$512,778 which was rounded to \$510,000.

In reconciliation, Barros afforded the sales approach primary emphasis with secondary emphasis placed upon the income approach. Based upon the foregoing evidence, the appellant requested a reduced total assessment of \$51,000 to reflect the appraised value conclusion.

¹ The Board takes notice that shutdown orders due to the pandemic commenced in March 2020, thus sale #3 also occurred after the pandemic began.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$77,555. The subject's assessment reflects a market value of \$775,550 or \$307.03 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. The submission lacked detailed characteristics of the properties. The buildings range in age from 105 to 133 years old and range in size from 2,240 to 2,840 square feet of gross building area. Comparable #1 sold reportedly for \$1 in January 2021 and the other two comparables sold in April 2019 and July 2021 for prices of \$700,000 and \$890,000, respectively, or for \$312.50 and \$331.97 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 did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The appellant submitted an appraisal of the subject property with an opinion of market value as of the lien date and the board of review presented three suggested comparable sales in support of its position before the Property Tax Appeal Board.

Having thoroughly examined the appellant's appraisal report, the Board gives little weight to the value conclusion of \$510,000 determined utilizing the sales comparison approach as the appraiser utilized comparables that differed significantly from the subject.² The Board finds four of five comparable sales were highly dissimilar to the subject in age where sale #4 was only 28 years old as compared to the subject that is 133 years old. Condition due to recent renovations for comparables #2 and #5 which were recently renovated and are each newer in age than the subject. In addition, the subject has 2,526 square feet of gross building area but comparables #1, #2, #4 and #5 range in size from 6,000 to 10,150 square feet of gross building area. Despite these significant differences all comparables were evenly adjusted by Barros. Thus, in conclusion, having examined the adjustments made by Barros for the differences, the Board does not find the value conclusion to be a credible or reliable indication of the subject's estimated market value as of the

² The courts have stated that where there is credible evidence of comparable sales these sales are to be given significant weight as evidence of market value. In Chrysler Corporation v. Property Tax Appeal Board, 69 Ill. App. 3d 207 (2nd Dist. 1979), the court held that significant relevance should not be placed on the cost approach or income approach especially when there is market data available. In Willow Hill Grain, Inc. v. Property Tax Appeal Board, 187 Ill. App. 3d 9 (5th Dist. 1989), the court held that of the three primary methods of evaluating property for the purpose of real estate taxes, the preferred method is the sales comparison approach. The Board finds there are credible market sales contained in this record. Thus, the Board placed most weight on this evidence.

lien date. For these foregoing reasons, the Board has given the appraiser's conclusion of value little weight. Instead, the Board will examine the raw sales data provided by both parties.

As a consequence of the Board's analysis, the Board finds the only truly comparable sale presented in the appraisal was sale #3. This property is the most similar to the subject in age, building size and number of units. The property sold in December 2020 for \$850,000 or \$193.18 per square foot of gross building area, including land.

Board of review comparable #1 sold for \$1 but the Board finds that without further explanation the reported sale price is unlikely to be indicative of the subject's estimated market value and calls into question the arm's length nature of this sale. In light of the foregoing, the Board has given little weight to board of review sale #1.

The Board finds the best evidence of market value to be appraisal sale #3 along with board of review comparable sales #2 and #3, which are each somewhat similar to the subject in age and building size. These properties sold from April 2019 to July 2021 for prices ranging from \$700,000 to \$890,000 or from \$193.18 to \$331.97 per square foot of gross building area, including land. The subject's assessment reflects a market value of \$775,550 or \$307.03 per square foot of gross building area, including land, which is within the range established by the best comparable sales in the record. Therefore, based on this evidence and after considering appropriate adjustments to the best comparable sales in the record, the Board finds a reduction in the subject's assessment is not 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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